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ICC INCOTERMS

1. By letter of 24 October 1990 the Acting Secretary-General of the International Chamber of Commerce (ICC) requested the Commission to consider endorsing INCOTERMS 1990 for world-wide use. This report gives the background to the previous actions of the Commission in respect of INCOTERMS 1953 and a short summary of the reasons for the preparation of the current revision.

2. INCOTERMS 1990 is reproduced in the annex to this document in the text as furnished to the Secretariat by ICC. At the time of the preparation of this report INCOTERMS was available in the original English language version and in a translation into French and Spanish. The English language version of INCOTERMS 1990 has been annexed to all language versions, other than French and Spanish, of this report.

BACKGROUND

3. At the Commission's first session in 1968, in deciding on its programme of work, the Commission identified INCOTERMS 1953 as an international instrument of special importance with regard to the harmonization and unification of the law of the international sale of goods. 1/ The report of the Commission's first session goes on to say:

> "20. As regards INCOTERMS 1953, the Commission decided to request the Secretary-General to invite the International Chamber of Commerce to submit to the Secretary-General, before the second session of the Commission, a report including its views and suggestions concerning possible action that might be taken for the purpose of promoting the wider use of INCOTERMS and other trade terms by those engaged in international commerce." 2/

1/ A/CN.9/9, para. 6, incorporated into the Report of the United Nations Commission on International Trade Law on the work of its first session, Official Records of the General Assembly, Twenty-third Session, Supplement No. 16 (A/7216), para. 48.

2/ A/CN.9/9, para. 20, incorporated into ibid.

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4. The report requested by the Commission was submitted to it at its second session in document A/CN.9/14. On the basis of that report the Commission included in the resolution that it adopted in respect of the international sale of goods the following paragraph:

"The Commission decides:

* * *

With regard to Incoterms 1953:

"3. (a) To request the Secretary-General to inform the International Chamber of Commerce that, in the view of the Commission, it would be desirable to give the widest possible dissemination to INCOTERMS 1953 in order to encourage their world-wide use in international trade.

" (b) To request the Secretary-General to bring the views of the Commission concerning INCOTERMS 1953 to the attention of the United Nations regional economic commissions in connexion with their consideration of the ECE general conditions." 3/

5. Amendments to INCOTERMS were made and additional terms were added in 1976 and 1980. However, those changes in INCOTERMS were not officially brought to the attention of the Commission and the Commission took no action leading toward endorsing the revision.

6. By the late 1980's it was found that INCOTERMS no longer met the needs of commerce as well as they had previously. In particular, it was considered to be necessary to adapt the terms to the increasing use of electronic data interchange (EDI). Furthermore, the changes in transportation techniques called for a revision of several of the terms. In the end it was decided to revise the existing terms completely, rather than to attempt to amend them.

7. INCOTERMS 1990 has been adopted by ICC with a date of entry into force on 1 July 1990. It is available from ICC in its publication no. 460.

3/ Report of the United Nations Commission on International Trade Law on the work of its second session, Official Records of the General Assembly, Twenty-fourth Session, Supplement No. 18 (A/7618), para. 60.

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ICC INCOTERMS 1990*

Entry into force 1 July 1990

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Please note that the abbreviations in three letters given for each Incoterm are a standard reference agreed upon by the ICC and the Economic Commission for Europe of the United Nations.

FOREWORD

Sending goods from one country to another, as part of a commercial transaction, can be a risky business. If they are lost or damaged, or if delivery does not take place for some other reason, the climate of confidence between parties may degenerate to the point where a lawsuit is brought. However, above all, sellers and buyers in international contracts want their deals to be successfully completed.

If, when drawing up their contract, buyer and seller specifically refer to one of the ICC Incoterms, they can be sure of defining their respective responsibilities, simply and safely. In so doing they eliminate any possibility of misunderstanding and subsequent dispute.

Incoterms have been revised to take account of changes in transportation techniques—certain terms have been consolidated and rearranged—and to render them fully compatible with new developments in electronic data interchange (EDI). They are presented in a new format which allows seller and buyer to follow a step-by-step process to determine their respective obligations. A new lay-out makes Incoterms 1990 easier to use.

The publication is the result of extensive consideration by the ICC's Commercial Practices Commission and particularly its Trade Terms Working Party under the Chairmanship of Dr. Hans de Vries (Netherlands). Detailed drafting was entrusted to Professor Jan Ramberg (Sweden), Mr. Ray Battersby (United Kingdom), Mr. Jens Bredow and Mr. Bodo Seiffert (Germany), Mr. Mauro Ferrante (Italy), Mr. Asko Räty and Mr. Kainu Mikkola (Finland) and to Mrs. Carol Xueref (IHQ) to whom the ICC is particularly indebted.

The other Working Party participants were as follows: Mr. Ladislaus Blaschek (Austria), Mrs. Carine Gelens, Mr. Jan Somers (†) and Mr. Robert De Roy (Belgium), Mr. Matti Elovirta and Mr. Timo Vierikko (Finland), Mr. Klaus B. Winkler (Germany), Dott. Vladimiro Sabbadini (Italy), Prof. Ryohei Asaoka (Japan), Mr. Santiago Hernandez Izal (Spain), Miss Lyn Murray, Miss Brigitte Faubert and Mr. Pat J. Moore (United Kingdom).

INTRODUCTION

Purpose of Incoterms

1. The purpose of "Incoterms" is to provide a set of international rules for the interpretation of the most commonly used trade terms in foreign trade. Thus, the uncertainties of different interpretations of such terms in different countries can be avoided or at least reduced to a considerable degree.

2. Frequently parties to a contract are unaware of the different trading practices in their respective countries. This can give rise to misunderstandings, disputes and litigation with all the waste of time and money that this entails. In order to remedy these problems the International Chamber of Commerce first published in 1936 a set of international rules for the interpretation of trade terms. These rules were known as "Incoterms 1936". Amendments and additions were later made in 1953, 1967, 1976, 1980 and presently 1990 in order to bring the rules in line with current international trade practices.

Why new Incoterms?

3. The main reason for the 1990 revision of Incoterms was the desire to adapt terms to the increasing use of electronic data interchange (EDI). In the present 1990 version of Incoterms this is possible when the parties have to provide various documents (such as commercial invoices, documents needed for customs clearance or documents in proof of delivery of the goods as well as transport documents). Particular problems arise when the seller has to present a negotiable transport document and notably the bill of lading which is frequently used for the purposes of selling the goods while they are being carried. In these cases it is of vital importance, when using EDI messages, to ensure that the buyer has the same legal position as he would have obtained if he had received a bill of lading from the seller.

New transportation techniques

4. A further reason for the revision stems from changed transportation techniques, particularly the unitisation of cargo in containers, multimodal transport and roll on-roll off traffic with road vehicles and railway wagons in "short-sea" maritime transport. In Incoterms 1990 the term "Free carrier ... named place" (FCA) has now been adapted to suit all types of transport irrespective of the mode and combination of different modes. As a consequence, the terms which appear in the previous version of Incoterms dealing with some particular modes of transport (FOR/FOT and FOB Airport) have been removed.

New method of presenting Incoterms

5. In connection with the revision work within the ICC Working Party, suggestions were made to present the trade terms in another manner for the purpose of easier reading and understanding. The terms have been grouped in four basically different categories; namely, starting with the only term whereby the seller makes the goods available to the buyer at the seller's own premises (the "E"-term Ex works); followed by the second group whereby the seller is called upon to deliver the goods to a carrier appointed by the buyer (the "F"-terms FCA, FAS and FOB); continuing with the "C"-terms where the seller has to contract for carriage, but without assuming the risk of loss of or damage to the goods or additional costs due to events occurring after shipment and dispatch (CFR, CIF, CPT and CIP); and, finally, the "D"-terms whereby the seller has to bear all costs and risks needed to bring the goods to the country of destination (DAF, DES, DEQ, DDU and DDP). A chart setting out this new classification is given hereafter.

INCOTERMS 1990

Group E Departure	**EXW**	Ex Works
Group F Main carriage unpaid	**FCA**	Free Carrier
	FAS	Free Alongside Ship
	FOB	Free On Board
Group C Main carriage paid	**CFR**	Cost and Freight
	CIF	Cost, Insurance and Freight
	CPT	Carriage Paid To
	CIP	Carriage and Insurance Paid To

Group D Arrival	**DAF**	Delivered At Frontier
	DES	Delivered Ex Ship
	DEQ	Delivered Ex Quay
	DDU	Delivered Duty Unpaid
	DDP	Delivered Duty Paid

Further, under all terms, the respective obligations of the parties have been grouped under 10 headings where each heading on the seller's side "mirrors" the position of the buyer with respect to the same subject matter. Thus, if for instance according to A.3. the seller has to arrange and pay for the contract of carriage we find the words "No obligation" under the heading "Contract of carriage" in B.3. setting forth the buyer's position. Needless to say, this does not mean that the buyer would not in his own interest make such contracts as may be needed to bring the goods to the desired destination, but he has no "obligation" to the seller to do so. However, with respect to the division between the parties of duties, taxes and other official charges, as well as the costs of carrying out customs formalities, the terms explain for the sake of clarity how such costs are divided between the parties although, of course, the seller might not have any interest at all in the buyer's further disposal of the goods after they have been delivered to him. Conversely, under some terms such as the "D"-terms, the buyer is not interested in costs which the seller might incur in order to bring the goods all the way to the agreed destination point.

Customs of the port or of a particular trade

6. Since the trade terms must necessarily be possible to use in different trades and regions it is impossible to set forth the obligations of the parties with precision. To some extent it is therefore necessary to refer to the custom of the particular trade place or to the practices which the parties themselves may have established in their previous dealings (cf. Article 9 of the 1980 United Nations Convention on Contracts for the International Sale of Goods). It is, of course, desirable that sellers and buyers keep themselves duly informed of such customs of the trade when they negotiate their contract and that, whenever uncertainty arises, clarify their legal position by appropriate clauses in their contract of sale. Such special provisions in the individual contract would supersede or vary anything which is set forth as a rule of interpretation in the various Incoterms.

The buyer's options

7. In some situations, it may not be possible at the time when the contract of sale is entered into to decide precisely on the exact point or even the place where the goods should be delivered by the seller for carriage or at the final destination. For instance, reference might have been made at this stage merely to a "range" or to a rather large place, e.g. seaport, and it is then usually stipulated that the buyer can have the right or duty to name later on the more precise point within the range or the place. If the buyer has a duty to name the precise point as aforesaid his failure to do so might result in liability to bear the risks and additional costs resulting from such failure. In addition, the buyer's failure to use his right to indicate the point may give the seller the right to select the point which best suits his purpose.

Customs clearance

8. It is normally desirable that customs clearance is arranged by the party domiciled in the country where such clearance should take place or at least by somebody acting there on his behalf. Thus, the exporter should normally clear the goods for export, while the importer should clear the goods for import. However, under some trade terms, the buyer might undertake to clear the goods for export in the seller's country (EXW, FAS) and, in other terms, the seller might undertake to clear the goods for import into the buyer's country (DEQ and DDP). Needless to say, in these cases the buyer and the seller respectively must assume any risk of export and import prohibition. Also they must ascertain that a customs clearance performed by, or on behalf of, a party not domiciled in the respective country is accepted by the authorities. Particular problems arise when the seller undertakes to deliver the goods into the buyer's country in places which cannot be reached until the goods have been cleared for import but where his ability to reach that place is adversely affected by the buyer's failure to fulfil his obligation to clear the goods for import (see further the comment to DDU below).

It may well be that a buyer would wish to collect the goods at the seller's premises under the term EXW or to receive the goods alongside a ship under the trade term FAS, but would like the seller to clear the goods for export. If so, the words "cleared for export" could be added after the respective trade term. Conversely, it may be that the seller is prepared to deliver the goods under the trade term DEQ or DDP, but without assuming wholly or partly the obligation to pay the duty or other taxes or official charges levied upon importation of the goods. If so, the words "duty unpaid" might be added after DEQ; or the particular taxes or charges which the seller does not wish to pay may be specifically excluded, e.g. DEQ or DDP "VAT unpaid".

It has also been observed that in many countries it is difficult for a foreign company to obtain not only the import licence, but also duty reliefs (VAT deduction, etc.). "Delivered, Duty Unpaid", can solve these problems by removing from the seller the obligation to clear the goods for import.

In some cases, however, the seller whose obligation of carriage extends to the buyer's premises in the country of import, wants to carry out customs formalities, without paying the duties. If so, the DDU term should be added with words to that effect such as "DDU, cleared". Corresponding additions may be used with other "D"-terms, e.g. "DDP, VAT unpaid", "DEQ, duty unpaid".

Packaging

9. In most cases, the parties would know beforehand which packaging is required for the safe carriage of the goods to the destination. However, since the seller's obligation to pack the goods may well vary according to the type and duration of the transport envisaged, it has been felt necessary to stipulate that the seller is obliged to pack the goods in such a manner as is required for the transport, but only to the extent that the circumstances relating to the transport are made known to him before the contract of sale is concluded (cf. Articles 35.1 and 35.2.b. of the 1980 United Nations Convention on Contracts for the International Sale of Goods where the goods, including packaging, must be "fit for any particular purpose expressly or impliedly made known to the seller at the time of the conclusion of the contract, except where the circumstances show that the buyer did not rely, or that it was unreasonable for him to rely, on the seller's skill and judgement").

Inspection of goods

10. In many cases, the buyer may be well advised to arrange for inspection of the goods before or at the time they are

handed over by the seller for carriage (so-called pre-shipment inspection or PSI). Unless the contract stipulates otherwise, the buyer would himself have to pay the cost for such inspection which is arranged in his own interest. However, if the inspection has been made in order to enable the seller to comply with any mandatory rules applicable to the export of the goods in his own country he would have to pay for that inspection.

Free carrier ... named place (FCA)

11. As has been said, the FCA-term could be used whenever the seller should fulfil his obligation by handing over the goods to a carrier named by the buyer. It is expected that this term will also be used for maritime transport in all cases where the cargo is not handed to the ship in the traditional method over the ship's rail. Needless to say, the traditional FOB-term is inappropriate where the seller is called upon to hand over the goods to a cargo terminal before the ship arrives, since he would then have to bear the risks and costs after the time when he has no possibility to control the goods or to give instructions with respect to their custody.

It should be stressed that under the "F"-terms, the seller should hand over the goods for carriage as instructed by the buyer, since the buyer would make the contract of carriage and name the carrier. Thus, it is not necessary to spell out in the trade term precisely how the goods should be handed over by the seller to the carrier. Nevertheless, in order to make it possible for traders to use FCA as an "overriding" "F"-term, explanations are given with respect to the customary modalities of delivery for the different modes of transport.

In the same manner, it may well be superfluous to introduce a definition of "carrier", since it is for the buyer to instruct the seller to whom the goods should be delivered for carriage. However, since the carrier and the document of transport are of great importance to traders, the preamble to the FCA-term contains a definition of "carrier". In this context, it should be noted that the term "carrier" not only refers to an enterprise actually performing the carriage but it also includes an enterprise merely having undertaken to perform or to procure the performance of the carriage as long as such enterprise assumes liability as a carrier for the carriage. In other words, the term "carrier" comprises performing as well as contracting carriers. Since the position in this respect of the freight forwarder varies from country to country and according to practices in the freight forwarding industry, the preamble contains a reminder that the seller must, of course, follow the buyer's instructions to deliver the goods to a freight forwarder even if the freight forwarder would have refused to accept carrier liability and thus fall outside the definition of "carrier".

The "C"-terms (CFR, CIF, CPT and CIP)

12. Under the "C"-terms, the seller must contract for carriage on usual terms at his own expense. Therefore, a point up to which he would have to pay transportation costs must necessarily be indicated after the respective "C"-term. Under the CIF and CIP terms the seller also has to take out insurance and bear the insurance cost.

Since the point for the division of costs refers to the country of destination, the "C"-terms are frequently mistakenly believed to be arrival contracts, whereby the seller is not relieved from any risks or costs until the goods have actually arrived at the agreed point. However, it must be stressed over and over again that the "C"-terms are of the same nature as the "F"-terms in that the seller fulfils the contract in the country of shipment or dispatch. Thus, the contracts of sale under the "C"-terms, like the contracts under the "F"-terms, fall under the category of shipment contracts.

While the seller would have to pay the normal transportation cost for the carriage of the goods by a usual route and in a customary manner to the agreed place of destination, the risk for loss of or damage to the goods, as well as additional costs resulting from events occurring after the goods having been handed over for carriage, fall upon the buyer. Hence, the "C"-terms as distinguished from all other terms contain two "critical" points, one for the division of costs and another one for the division of risks. For this reason, the greatest caution must be observed when adding obligations of the seller to the "C"-terms referring to a time after the aforementioned "critical" point for the division of risk. It is the very essence of the "C"-terms to relieve the seller from any further risk and cost after he has duly fulfilled his contract by contracting for carriage and handing over the goods to the carrier and by providing for insurance under the CIF- and CIP-terms.

It should also be possible for the seller to agree with the buyer to collect payment under a documentary credit by presenting the agreed shipping documents to the bank. It would be quite contrary to this common method of payment in international trade if the seller were to have to bear further risks and costs after the moment when payment had been made under documentary credits or otherwise upon shipment and dispatch of the goods. Needless to say, however, the seller would have to pay every cost which is due to the carrier irrespective of whether freight should be pre-paid upon shipment or is payable at destination (freight collect), except such additional costs which may result from events occurring subsequent to shipment and dispatch.

If it is customary to procure several contracts of carriage involving transhipment of the goods at intermediate places in order to reach the agreed destination, the seller would have to pay all these costs, including any costs when the goods are transhipped from one means of conveyance to the other. If, however, the carrier exercised his rights under a transhipment—or similar clause—in order to avoid unexpected hindrances (such as ice, congestion, labour disturbances, government orders, war or warlike operations) then any additional cost resulting therefrom would be for the account of the buyer.

13. It happens quite often that the parties wish to clarify to which extent the seller should procure a contract of carriage including the costs of discharge. Since such costs are normally covered by the freight when the goods are carried by regular shipping lines, the contract of sale would frequently stipulate that the goods would have to be so carried or at least that they should be carried under "liner terms". In other cases, the word "landed" is added after CFR or CIF. Nevertheless, it is advisable not to use abbreviations added to the "C"-terms unless, in the relevant trade, the meaning of the abbreviations is clearly understood and accepted by the contracting parties or under any applicable law or custom of the trade. In any event, the seller should not—and indeed could not—without changing the very nature of the "C"-terms undertake any obligation with respect to the arrival of the goods at destination, since the risk for any delay during the carriage is borne by the buyer. Thus, any obligation with respect to time must necessarily refer to the place of shipment or dispatch, e.g. "shipment (dispatch) not later than ...". An agreement e.g. "CFR Hamburg not later than ..." is really a misnomer and thus open to different possible interpretations The parties could be taken to have meant either that the goods must actually arrive at Hamburg at the specified date, in

which case the contract is not a shipment contract but an arrival contract or, alternatively, that the seller must ship the goods at such a time that they would normally arrive at Hamburg before the specified date unless the carriage would have been delayed because of unforeseen events.

14. It happens in commodity trades that goods are bought while they are carried at sea and that, in such cases, the word "afloat" is added after the trade term. Since the risk for loss of or damage to the goods would then, under the CFR- and CIF-terms, have passed from the seller to the buyer, difficulties of interpretation might arise. One possibility would be to maintain the ordinary meaning of the CFR- and CIF-terms with respect to the division of risk between seller and buyer which would mean that the buyer might have to assume risks which have already occurred at the time when the contract of sale has entered into force. The other possibility would be to let the passing of the risk coincide with the time when the contract of sale is concluded. The former possibility might well be practical, since it is usually impossible to ascertain the condition of the goods while they are being carried. For this reason the 1980 UN Convention on Contracts for the International Sale of Goods Article 68 stipulates that "if the circumstances so indicate, the risk is assumed by the buyer from the time the goods were handed over to the carrier who issued the documents embodying the contract of carriage". There is, however, an exception to this rule when "the seller knew or ought to have known that the goods had been lost or damaged and did not disclose this to the buyer". Thus, the interpretation of a CFR- or CIF-term with the addition of the word "afloat" will depend upon the law applicable to the contract of sale. The parties are advised to ascertain the applicable law and any solution which might follow therefrom. In case of doubt, the parties are advised to clarify the matter in their contract.

"Incoterms" and the Contract of Carriage

15. It should be stressed that Incoterms only relate to trade terms used in the contract of sale and thus do not deal with terms—sometimes of the same or similar wording—which may be used in contracts of carriage, particularly as terms of various charterparties. Charterparty terms are usually more specific with respect to costs of loading and discharge and the time available for these operations (so-called "demurrage"-provisions). Parties to contracts of sale are advised to consider this problem by specific stipulations in their contracts of sale so that it is made clear as exactly as possible how much time would be available for the seller to load the goods on a ship or other means of conveyance provided by the buyer and for the buyer to receive the goods from the carrier at destination and, further, to specify to which extent the seller would have to bear the risk and cost of loading operations under the "F"-terms and discharging operations under the "C"-terms. The mere fact that the seller might have procured a contract of carriage, e.g. under the charterparty term "free out" whereby the carrier in the contract of carriage would be relieved from the discharging operations, does not necessarily mean that the risk and cost for such operations would fall upon the buyer under the contract of sale, since it might follow from the stipulations of the latter contract, or the custom of the port, that the contract of carriage procured by the seller should have included the discharging operations.

The "on board requirement" under FOB, CFR and CIF

16. The contract of carriage would determine the obligations of the shipper or the sender with respect to handing over the goods for carriage to the carrier. It should be noted that FOB, CFR and CIF all retain the traditional practice to deliver the goods on board the vessel. While, traditionally, the point for delivery of the goods according to the contract of sale coincided with the point for handing over the goods for carriage, contemporary transportation techniques create a considerable problem of "synchronisation" between the contract of carriage and the contract of sale. Nowadays goods are usually delivered by the seller to the carrier before the ship has arrived in the seaport. In such cases, merchants are advised to use such "F"- or "C"-terms which do not attach the handing over of the goods for carriage to shipment on board, namely FCA, CPT or CIP instead of FOB, CFR and CIF.

The "D"-terms (DAF, DES, DEQ, DDU and DDP)

17. As has been said, the "D"-terms are different in nature from the "C"-terms, since the seller according to the "D"-terms is responsible for the arrival of the goods at the agreed place or point of destination. The seller must bear all risks and costs in bringing the goods thereto. Hence, the "D"-terms signify arrival contracts, while the "C"-terms evidence shipment contracts.

The "D"-terms fall into two separate categories. Under DAF, DES and DDU the seller does not have to deliver the goods cleared for import, while under DEQ and DDP he would have to do so. Since DAF is frequently used in railway traffic, where it is practical to obtain a through document from the railway covering the entire transport to the final destination and to arrange insurance for the same period, DAF contains a stipulation in this respect in A.8. It should be stressed, however, that the seller's duty to assist the buyer in obtaining such a through document of transport is done at the buyer's risk and expense. Similarly, any costs of insurance relating to the time subsequent to the seller's delivery of the goods at the frontier would be for the account of the buyer.

The term DDU has been added in the present 1990 version of Incoterms. The term fulfils an important function whenever the seller is prepared to deliver the goods in the country of destination without clearing the goods for import and paying the duty. Whenever clearance for import does not present any problem—such as within the European Common Market—the term may be quite desirable and appropriate. However, in countries where import clearance may be difficult and time consuming, it may be risky for the seller to undertake an obligation to deliver the goods beyond the customs clearance point. Although, according to DDU B.5. and B.6., the buyer would have to bear the additional risks and costs which might follow from his failure to fulfil his obligations to clear the goods for import, the seller is advised not to use the term DDU in countries where difficulties might be expected in clearing the goods for import.

The bill of lading and EDI procedures

18. Traditionally, the on-board bill of lading has been the only acceptable document to be presented by the seller under the terms CFR and CIF. The bill of lading fulfils three important functions, namely:

- proof of delivery of the goods on board the vessel;
- evidence of the contract of carriage;
- a means of transferring rights to the goods in transit by the transfer of the paper document to another party.

Transport documents other than the bill of lading would fulfil the two first mentioned functions, but would not control the delivery of the goods at destination or enable a buyer to sell the goods in transit by surrendering the paper document to his buyer. Instead, other transport documents would name the party entitled to receive the goods at destination. The fact that the possession of the bill of lading is required in order to obtain the goods from the carrier at destination makes it particularly difficult to replace by EDI-procedures.

Further, it is customary to issue bills of lading in several originals but it is, of course, of vital importance for a buyer or a bank acting upon his instructions in paying the seller to ensure that all originals are surrendered by the seller (so-called "full set"). This is also a requirement under the ICC Rules for Documentary Credits (the so-called Uniform Customs and Practice,"UCP"; ICC Publication 400).

The transport document must evidence not only delivery of the goods to the carrier but also that the goods, as far as could be ascertained by the carrier, were received in good order and condition. Any notation on the transport document which would indicate that the goods had not been in such condition would make the document "unclean" and thus make it unacceptable under UCP (Art. 18; see also ICC Publication 473). In spite of the particular legal nature of the bill of lading it is expected that it will be replaced by EDI procedures in the near future. The 1990 version of Incoterms has taken this expected development into proper account.

Non-negotiable transport documents instead of bills of lading

19. In recent years, a considerable simplification of documentary practices has been achieved. Bills of lading are frequently replaced by non-negotiable documents similar to those which are used for other modes of transport than carriage by sea. These documents are called "sea waybills", "liner waybills", "freight receipts", or variants of such expressions. These non-negotiable documents are quite satisfactory to use except where the buyer wishes to sell the goods in transit by surrendering a paper document to the new buyer. In order to make this possible, the obligation of the seller to provide a bill of lading under CFR and CIF must necessarily be retained. However, when the contracting parties know that the buyer does not contemplate selling the goods in transit, they may specifically agree to relieve the seller from the obligation to provide a bill of lading, or, alternatively, they may use CPT and CIP where there is no requirement to provide a bill of lading.

MODE OF TRANSPORT AND THE APPROPRIATE INCOTERM 1990

Any Mode of Transport including multimodal	**EXW**	Ex Works (... named place)
	FCA	Free Carrier (... named place)
	CPT	Carriage Paid To (... named place of destination)
	CIP	Carriage and Insurance Paid To (... named place of destination)
	DAF	Delivered At Frontier (... named place)
	DDU	Delivered Duty Unpaid (... named place of destination)
	DDP	Delivered Duty Paid (... named place of destination)
Air Transport	**FCA**	Free Carrier (... named place)
Rail Transport	**FCA**	Free Carrier (... named place)
Sea and Inland Waterway Transport	**FOB**	Free On Board (... named port of shipment)
	CFR	Cost and Freight (... named port of destination)
	CIF	Cost, Insurance and Freight (... named port of destination)
	DES	Delivered Ex Ship (... named port of destination)
	DEQ	Delivered Ex Quay (... named port of destination)

The right to give instructions to the carrier

20. A buyer paying for the goods under a "C"-term should ensure that the seller upon payment is prevented from disposing of the goods by new instructions to the carrier. Some transport documents used for particular modes of transport (air, road or rail) offer the contracting parties a possibility to estop the seller from giving such new instructions to the carrier by providing the buyer with a particular original or duplicate of the waybill. These waybills will have a "no-disposal" clause. However, the documents used instead of bills of lading for maritime carriage do not normally contain such an "estoppel" function. Work is in progress within the Comité Maritime International to remedy this shortcoming of the above-mentioned documents by introducing "Uniform Rules for Sea Waybills". However, until this work has materialised, and been followed through in practice, the buyer should avoid paying against these non-negotiable documents whenever he has any reason to mistrust his seller.

Passing of risks and costs relating to the goods

21. The risk for loss of or damage to the goods, as well as the obligation to bear the costs relating to the goods, passes from the seller to the buyer when the seller has fulfilled his obligation to deliver the goods. Since the buyer should not be given the possibility to delay the passing of the risks and costs, all terms stipulate that the passing of risks and costs may occur even before delivery, if the buyer does not take delivery as agreed or fails to give such instructions (with respect to time for shipment and/or place for delivery) as the seller may require in order to fulfil his obligation to deliver the goods. It is a requirement for such premature passing of risk and costs that the goods have been identified as intended for the buyer or, as is stipulated in the terms, set aside for him (appropriation). This requirement is particularly important under EXW, since under all other terms the goods would normally have been identified as intended for the buyer when measures have been taken for their shipment or dispatch ("F"- and "C"-terms) or their delivery at destination ("D"-terms). In exceptional cases, however, the goods may have been sent from the seller in bulk without identification of the quantity for each buyer and, if so, passing of risk and cost does not occur before the goods have been appropriated as aforesaid (cf. also Article 69.3 of the 1980 UN Convention on the International Sale of Goods).

Reference to Incoterms

22. Merchants wishing to use these rules should now specify that their contracts will be governed by "Incoterms 1990".

ICC Arbitration

Contracting parties that wish to have the possibility of resorting to ICC Arbitration in the event of a dispute with their contracting party should specifically and clearly agree upon ICC Arbitration in their contract or, in the event no single contractual document exists, in the exchange of correspondence which constitutes the agreement between them. The fact of incorporating one or more Incoterms in a contract or the related correspondence does NOT by itself consitute an agreement to have resort to ICC Arbitration.

The following standard arbitration clause is recommended by the ICC:

"All disputes arising in connection with the present contract shall be finally settled under the Rules of Conciliation and Arbitration of the International Chamber of Commerce by one or more arbitrators appointed in accordance with the said Rules."

Ex Works (... named place) EXW

"Ex works" means that the seller fulfils his obligation to deliver when he has made the goods available at his premises (i.e. works, factory, warehouse, etc.) to the buyer. In particular, he is not responsible for loading the goods on the vehicle provided by the buyer or for clearing the goods for export, unless otherwise agreed. The buyer bears all costs and risks involved in taking the goods from the seller's premises to the desired destination. This term thus represents the minimum obligation for the seller. This term should not be used when the buyer cannot carry out directly or indirectly the export formalities. In such circumstances, the FCA term should be used.

A. THE SELLER MUST

A.1. Provision of goods in conformity with the contract

Provide the goods and the commercial invoice, or its equivalent electronic message, in conformity with the contract of sale and any other evidence of conformity which may be required by the contract.

A.2. Licences, authorisations and formalities

Render the buyer, at the latter's request, risk and expense, every assistance in obtaining any export licence or other official authorisation necessary for the exportation of the goods.

A.3. Contract of carriage and insurance

(a) Contract of carriage

No obligation.

(b) Contract of insurance

No obligation.

A.4. Delivery

Place the goods at the disposal of the buyer at the named place of delivery on the date or within the period stipulated or, if no such place or time is stipulated, at the usual place and time for delivery of such goods.

A.5. Transfer of risks

Subject to the provisions of B.5., bear all risks of loss of or damage to the goods until such time as they have been placed at the disposal of the buyer in accordance with A.4.

B. THE BUYER MUST

B.1. Payment of the price

Pay the price as provided in the contract of sale.

B.2. Licences, authorisations and formalities

Obtain at his own risk and expense any export and import licence or other official authorisation and carry out all customs formalities for the exportation and importation of the goods and, where necessary, for their transit through another country.

B.3. Contract of carriage

No obligation.

B.4. Taking delivery

Take delivery of the goods as soon as they have been placed at his disposal in accordance with A.4.

B.5. Transfer of risks

Bear all risks of loss of or damage to the goods from the time they have been placed at his disposal in accordance with A.4.

Should he fail to give notice in accordance with B.7., bear all risks of loss of or damage to the goods from the agreed date or the expiry date of any period fixed for taking delivery provided, however, that the goods have been duly appropriated to the contract, that is to say clearly set aside or otherwise identified as the contract goods.

A.6. Division of costs

Subject to the provisions of B.6., pay all costs relating to the goods until such time as they have been placed at the disposal of the buyer in accordance with A.4.

B.6. Division of costs

Pay all costs relating to the goods from the time they have been placed at his disposal in accordance with A.4.

Pay any additional costs incurred by failing either to take delivery of the goods when they have been placed at his disposal, or to give appropriate notice in accordance with B.7. provided, however, that the goods have been duly appropriated to the contract, that is to say clearly set aside or otherwise identified as the contract goods.

Pay all duties, taxes and other official charges as well as the costs of carrying out customs formalities payable upon exportation and importation of the goods and, where necessary, for their transit through another country.

Reimburse all costs and charges incurred by the seller in rendering assistance in accordance with A.2.

A.7. Notice to the buyer

Give the buyer sufficient notice as to when and where the goods will be placed at his disposal.

B.7. Notice to the seller

Whenever he is entitled to determine the time within a stipulated period and/or the place of taking delivery, give the seller sufficient notice thereof.

A.8. Proof of delivery, transport document or equivalent electronic message

No obligation.

B.8. Proof of delivery, transport document or equivalent electronic message

Provide the seller with appropriate evidence of having taken delivery.

A.9. Checking—packaging—marking

Pay the costs of those checking operations (such as checking quality, measuring, weighing, counting) which are necessary for the purpose of placing the goods at the disposal of the buyer.

Provide at his own expense packaging (unless it is usual for the particular trade to make the goods of the contract description available unpacked) which is required for the transport of the goods, to the extent that the circumstances relating to the transport (e.g. modalities, destination) are made known to the seller before the contract of sale is concluded. Packaging is to be marked appropriately.

B.9. Inspection of goods

Pay, unless otherwise agreed, the costs of pre-shipment inspection (including inspection mandated by the authorities of the country of exportation).

A.10. Other obligations

Render the buyer at the latter's request, risk and expense, every assistance in obtaining any documents or equivalent electronic messages issued or transmitted in the country of delivery and/or of origin which the buyer may require for the exportation and/or importation of the goods and, where necessary, for their transit through another country.

Provide the buyer, upon request, with the necessary information for procuring insurance.

B.10. Other obligations

Pay all costs and charges incurred in obtaining the documents or equivalent electronic messages mentioned in A.10. and reimburse those incurred by the seller in rendering his assistance in accordance therewith.

Free Carrier (... named place) FCA

"Free Carrier" means that the seller fulfils his obligation to deliver when he has handed over the goods, cleared for export, into the charge of the carrier named by the buyer at the named place or point. If no precise point is indicated by the buyer, the seller may choose within the place or range stipulated where the carrier shall take the goods into his charge. When, according to commercial practice, the seller's assistance is required in making the contract with the carrier (such as in rail or air transport) the seller may act at the buyer's risk and expense.

This term may be used for any mode of transport, including multimodal transport.

"Carrier" means any person who, in a contract of carriage, undertakes to perform or to procure the performance of carriage by rail, road, sea, air, inland waterway or by a combination of such modes. If the buyer instructs the seller to deliver the cargo to a person, e.g. a freight forwarder who is not a "carrier", the seller is deemed to have fulfilled his obligation to deliver the goods when they are in the custody of that person.

"Transport terminal" means a railway terminal, a freight station, a container terminal or yard, a multi-purpose cargo terminal or any similar receiving point.

"Container" includes any equipment used to unitise cargo, e.g. all types of containers and/or flats, whether ISO accepted or not, trailers, swap bodies, ro-ro equipment, igloos, and applies to all modes of transport.

A. THE SELLER MUST

A.1. Provision of goods in conformity with the contract

Provide the goods and the commercial invoice, or its equivalent electronic message, in conformity with the contract of sale and any other evidence of conformity which may be required by the contract.

A.2. Licences, authorisations and formalities

Obtain at his own risk and expense any export licence or other official authorisation and carry out all customs formalities necessary for the exportation of the goods.

A.3. Contract of carriage and insurance

(a) Contract of carriage

No obligation. However, if requested by the buyer or if it is commercial practice and the buyer does not give an instruction to the contrary in due time, the seller may contract for carriage on usual terms at the buyer's risk and expense. The seller may decline to make the contract and, if he does, shall promptly notify the buyer accordingly.

(b) Contract of insurance

No obligation.

A.4. Delivery

Deliver the goods into the custody of the carrier or another person (e.g. a freight forwarder) named by the buyer, or chosen by the seller in accordance with A.3.*(a)*, at the named place or point (e.g. transport terminal or other receiving point) on the date or within the period agreed for delivery and in the manner agreed or customary at such point. If no specific point has been agreed, and if there are several points available, the seller may select the point at the place of delivery which best suits his purpose. Failing precise instructions from the buyer, the seller may deliver the goods to the

B. THE BUYER MUST

B.1. Payment of the price

Pay the price as provided in the contract of sale.

B.2. Licences, authorisations and formalities

Obtain at his own risk and expense any import licence or other official authorisation and carry out all customs formalities for the importation of the goods and, where necessary, for their transit through another country.

B.3. Contract of carriage

Contract at his own expense for the carriage of the goods from the named place, except as provided for in A.3.*(a)*.

B.4. Taking delivery

Take delivery of the goods in accordance with A.4.

carrier in such a manner as the transport mode of that carrier and the quantity and/or nature of the goods may require.

Delivery to the carrier is completed:

(i) In the case of rail transport when the goods constitute a wagon load (or a container load carried by rail) the seller has to load the wagon or container in the appropriate manner. Delivery is completed when the loaded wagon or container is taken over by the railway or by another person acting on its behalf.

When the goods do not constitute a wagon or container load, delivery is completed when the seller has handed over the goods at the railway receiving point or loaded them into a vehicle provided by the railway.

(ii) In the case of road transport when loading takes place at the seller's premises, delivery is completed when the goods have been loaded on the vehicle provided by the buyer.

When the goods are delivered to the carrier's premises, delivery is completed when they have been handed over to the road carrier or to another person acting on his behalf.

(iii) In the case of transport by inland waterway when loading takes place at the seller's premises, delivery is completed when the goods have been loaded on the carrying vessel provided by the buyer.

When the goods are delivered to the carrier's premises, delivery is completed when they have been handed over to the inland waterway carrier or to another person acting on his behalf.

(iv) In the case of sea transport when the goods constitute a full container load (FCL), delivery is completed when the loaded container is taken over by the sea carrier. When the container has been carried to an operator of a transport terminal acting on behalf of the carrier, the goods shall be deemed to have been taken over when the container has entered into the premises of that terminal.

When the goods are less than a container load (LCL), or are not to be containerised, the seller has to carry them to the transport terminal. Delivery is completed when the goods have been handed over to the sea carrier or to another person acting on his behalf.

(v) In the case of air transport, delivery is completed when the goods have been handed over to the air carrier or to another person acting on his behalf.

(vi) In the case of unnamed transport, delivery is completed when the goods have been handed over to the carrier or to another person acting on his behalf.

(vii) In the case of multimodal transport, delivery is completed when the goods have been handed over as specified in (i)-(vi), as the case may be.

A.5. Transfer of risks

Subject to the provisions of B.5., bear all risks of loss of or damage to the goods until such time as they have been delivered in accordance with A.4.

B.5. Transfer of risks

Bear all risks of loss of or damage to the goods from the time they have been delivered in accordance with A.4.

Should he fail to give notice in accordance with B.7., or should the carrier named by him fail to take the goods into his charge, bear all risks of loss of or damage to the goods from the agreed date or the expiry date of any period stipulated for delivery, provided, however, that the goods have been duly appropriated to the contract, that is to say, clearly set aside or otherwise identified as the contract goods.

A.6. Division of costs

Subject to the provisions of B.6.

— pay all costs relating to the goods until such time as they have been delivered to the carrier in accordance with A.4.;

— pay the costs of customs formalities as well as all duties, taxes, and other official charges payable upon exportation.

B.6. Division of costs

Pay all costs relating to the goods from the time when they have been delivered in accordance with A.4.

Pay any additional costs incurred, either because he fails to name the carrier, or the carrier named by him fails to take the goods into his charge at the agreed time, or because he has failed to give appropriate notice in accordance with B.7., provided, however, that the goods have been duly appropriated to the contract, that is to say, clearly set aside or otherwise identified as the contract goods.

Pay all duties, taxes and other official charges as well as the costs of carrying out customs formalities payable upon importation of the goods and, where necessary, for their transit through another country.

A.7. Notice to the buyer

Give the buyer sufficient notice that the goods have been delivered into the custody of the carrier. Should the carrier fail to take the goods into his charge at the time agreed, the seller must notify the buyer accordingly.

B.7. Notice to the seller

Give the seller sufficient notice of the name of the carrier and, where necessary, specify the mode of transport, as well as the date or period for delivering the goods to him and, as the case may be, of the point within the place where the goods should be delivered to the carrier.

A.8. Proof of delivery, transport document or equivalent electronic message

Provide the buyer at the seller's expense, if customary, with the usual document in proof of delivery of the goods in accordance with A.4.

Unless the document referred to in the preceding paragraph is the transport document, render the buyer at the latter's request, risk and expense, every assistance in obtaining a transport document for the contract of carriage (for example, a negotiable bill of lading, a non-negotiable sea waybill, an inland waterway document, an air waybill, a railway consignment note, a road consignment note, or a multimodal transport document).

When the seller and the buyer have agreed to communicate electronically, the document referred to in the preceding paragraph may be replaced by an equivalent electronic data interchange (EDI) message.

B.8. Proof of delivery, transport document or equivalent electronic message

Accept the proof of delivery in accordance with A.8.

A.9. Checking—packaging—marking

Pay the costs of those checking operations (such as checking quality, measuring, weighing, counting) which are necessary for the purpose of delivering the goods to the carrier.

Provide at his own expense packaging (unless it is usual for the particular trade to send the goods of the contract description unpacked) which is required for the transport of the goods, to the extent that the circumstances relating to the transport (e.g. modalities, destination) are made known to the seller before the contract of sale is concluded. Packaging is to be marked appropriately.

B.9. Inspection of goods

Pay, unless otherwise agreed, the costs of pre-shipment inspection except when mandated by the authorities of the country of exportation.

A.10. Other obligations

Render the buyer at the latter's request, risk and expense, every assistance in obtaining any documents or equivalent electronic messages (other than those mentioned in A.8.)

B.10. Other obligations

Pay all costs and charges incurred in obtaining the documents or equivalent electronic messages mentioned in A.10. and reimburse those incurred by the seller in rendering his

issued or transmitted in the country of delivery and/or of origin which the buyer may require for the importation of the goods and, where necessary, for their transit through another country.

Provide the buyer, upon request, with the necessary information for procuring insurance.

assistance in accordance therewith and in contracting for carriage in accordance with A.3.*(a)*.

Give the seller appropriate instructions whenever the seller's assistance in contracting for carriage is required in accordance with A.3.*(a)*.

Free Alongside Ship (... named port of shipment) FAS

"Free Alongside Ship" means that the seller fulfils his obligation to deliver when the goods have been placed alongside the vessel on the quay or in lighters at the named port of shipment. This means that the buyer has to bear all costs and risks of loss of or damage to the goods from that moment.

The FAS term requires the buyer to clear the goods for export. It should not be used when the buyer cannot carry out directly or indirectly the export formalities.

This term can only be used for sea or inland waterway transport.

A. THE SELLER MUST

A.1. Provision of goods in conformity with the contract

Provide the goods and the commercial invoice, or its equivalent electronic message, in conformity with the contract of sale and any other evidence of conformity which may be required by the contract.

A.2. Licences, authorisations and formalities

Render the buyer, at the latter's request, risk and expense, every assistance in obtaining any export licence or other official authorisation necessary for the exportation of the goods.

A.3. Contract of carriage and insurance

(a) Contract of carriage

No obligation.

(b) Contract of insurance

No obligation.

A.4. Delivery

Deliver the goods alongside the named vessel at the loading place named by the buyer at the named port of shipment on the date or within the period stipulated and in the manner customary at the port.

A.5. Transfer of risks

Subject to the provisions of B.5., bear all risks of loss of or damage to the goods until such time as they have been delivered in accordance with A.4.

B. THE BUYER MUST

B.1. Payment of the price

Pay the price as provided in the contract of sale.

B.2. Licences, authorisations and formalities

Obtain at his own risk and expense any export and import licence or other official authorisation and carry out all customs formalities for the exportation and importation of the goods and, where necessary, for their transit through another country.

B.3. Contract of carriage

Contract at his own expense for the carriage of the goods from the named port of shipment.

B.4. Taking delivery

Take delivery of the goods in accordance with A.4.

B.5. Transfer of risks

Bear all risks of loss of or damage to the goods from the time they have been delivered in accordance with A.4.

Should he fail to fulfil his obligations in accordance with B.2., bear all additional risks of loss of or damage to the goods incurred thereby and should he fail to give notice in accordance with B.7., or should the vessel named by him fail

to arrive on time, or be unable to take the goods, or close for cargo earlier than the stipulated time, bear all risks of loss of or damage to the goods from the agreed date or the expiry date of the period stipulated for delivery, provided, however, that the goods have been duly appropriated to the contract, that is to say, clearly set aside or otherwise identified as the contract goods.

A.6. Division of costs

Subject to the provisions of B.6., pay all costs relating to the goods until such time as they have been delivered in accordance with A.4.

B.6. Division of costs

Pay all costs relating to the goods from the time they have been delivered in accordance with A.4.

Pay any additional costs incurred, either because the vessel named by him has failed to arrive on time, or will be unable to take the goods, or will close for cargo earlier than the stipulated time, or because the buyer has failed to fulfil his obligations in accordance with B.2., or to give appropriate notice in accordance with B.7., provided, however, that the goods have been duly appropriated to the contract, that is to say, clearly set aside or otherwise identified as the contract goods.

Pay all duties, taxes and other official charges as well as the costs of carrying out customs formalities payable upon exportation and importation of the goods and, where necessary, for their transit through another country.

Pay all costs and charges incurred by the seller in rendering assistance in accordance with A.2.

A.7. Notice to the buyer

Give the buyer sufficient notice that the goods have been delivered alongside the named vessel.

B.7. Notice to the seller

Give the seller sufficient notice of the vessel name, loading place and required delivery time.

A.8. Proof of delivery, transport document or equivalent electronic message

Provide the buyer at the seller's expense with the usual document in proof of delivery of the goods in accordance with A.4.

Unless the document referred to in the preceding paragraph is the transport document, render the buyer at the latter's request, risk and expense, every assistance in obtaining a transport document (for example, a negotiable bill of lading, a non-negotiable sea waybill, an inland waterway document).

When the seller and the buyer have agreed to communicate electronically, the document referred to in the preceding paragraphs may be replaced by an equivalent electronic data interchange (EDI) message.

B.8. Proof of delivery, transport document or equivalent electronic message

Accept the proof of delivery in accordance with A.8.

A.9. Checking—packaging—marking

Pay the costs of those checking operations (such as checking quality, measuring, weighing, counting) which are necessary for the purpose of placing the goods at the disposal of the buyer.

Provide at his own expense packaging (unless it is usual for the particular trade to ship the goods of the contract description unpacked) which is required for the transport of the goods, to the extent that the circumstances relating to the transport (e.g. modalities, destination) are made known to the seller before the contract of sale is concluded. Packaging is to be marked appropriately.

B.9. Inspection of goods

Pay, unless otherwise agreed, the costs of pre-shipment inspection (including inspection mandated by the authorities of the country of exportation).

A.10. Other obligations

Render the buyer at the latter's request, risk and expense, every assistance in obtaining any documents or equivalent electronic messages (other than those mentioned in A.8.) issued or transmitted in the country of shipment and/or of origin which the buyer may require for the exportation and/or importation of the goods and, where necessary, for their transit through another country.

Provide the buyer, upon request, with the necessary information for procuring insurance.

B.10. Other obligations

Pay all costs and charges incurred in obtaining the documents or equivalent electronic messages mentioned in A.10. and reimburse those incurred by the seller in rendering his assistance in accordance therewith.

Free on board (... named port of shipment) FOB

"Free on Board" means that the seller fulfils his obligation to deliver when the goods have passed over the ship's rail at the named port of shipment. This means that the buyer has to bear all costs and risks of loss of or damage to the goods from that point.

The FOB term requires the seller to clear the goods for export.

This term can only be used for sea or inland waterway transport. When the ship's rail serves no practical purpose, such as in the case of roll-on/roll-off or container traffic, the FCA term is more appropriate to use.

A. THE SELLER MUST

A.1. Provision of goods in conformity with the contract

Provide the goods and the commercial invoice, or its equivalent electronic message, in conformity with the contract of sale and any other evidence of conformity which may be required by the contract.

A.2. Licences, authorisations and formalities

Obtain at his own risk and expense any export licence or other official authorisation and carry out all customs formalities necessary for the exportation of the goods.

A.3. Contract of carriage and insurance

(a) Contract of carriage

No obligation.

(b) Contract of insurance

No obligation.

A.4. Delivery

Deliver the goods on board the vessel named by the buyer at the named port of shipment on the date or within the period stipulated and in the manner customary at the port.

A.5. Transfer of risks

Subject to the provisions of B.5., bear all risks of loss of or damage to the goods until such time as they have passed the ship's rail at the named port of shipment.

B. THE BUYER MUST

B.1. Payment of the price

Pay the price as provided in the contract of sale.

B.2. Licences, authorisations and formalities

Obtain at his own risk and expense any import licence or other official authorisation and carry out all customs formalities for the importation of the goods and, where necessary, for their transit through another country.

B.3. Contract of carriage

Contract at his own expense for the carriage of the goods from the named port of shipment.

B.4. Taking delivery

Take delivery of the goods in accordance with A.4.

B.5. Transfer of risks

Bear all risks of loss of or damage to the goods from the time they have passed the ship's rail at the named port of shipment.

Should he fail to give notice in accordance with B.7., or should the vessel named by him fail to arrive on time, or be unable to take the goods, or close for cargo earlier than the stipulated time, bear all risks of loss of or damage to the goods from the agreed date or the expiry date of the period stipulated for delivery, provided, however, that the goods have been duly appropriated to the contract, that is to say, clearly set aside or otherwise identified as the contract goods.

A.6. Division of costs

Subject to the provisions of B.6.

— pay all costs relating to the goods until such time as they have passed the ship's rail at the named port of shipment;

— pay the costs of customs formalities necessary for exportation as well as all duties, taxes and other official charges payable upon exportation.

B.6. Division of costs

Pay all costs relating to the goods from the time they have passed the ship's rail at the named port of shipment.

Pay any additional costs incurred, either because the vessel named by him has failed to arrive on time, or is unable to take the goods, or will close for cargo earlier than the stipulated date, or because the buyer has failed to give appropriate notice in accordance with B.7., provided, however, that the goods have been duly appropriated to the contract, that is to say, clearly set aside or otherwise identified as the contract goods.

Pay all duties, taxes and other official charges as well as the costs of carrying out customs formalities payable upon importation of the goods and, where necessary, for their transit through another country.

A.7. Notice to the buyer

Give the buyer sufficient notice that the goods have been delivered on board.

B.7. Notice to the seller

Give the seller sufficient notice of the vessel name, loading point and required delivery time.

A.8. Proof of delivery, transport document or equivalent electronic message

Provide the buyer at the seller's expense with the usual document in proof of delivery in accordance with A.4.

Unless the document referred to in the preceding paragraph is the transport document, render the buyer, at the latter's request, risk and expense, every assistance in obtaining a transport document for the contract of carriage (for example, a negotiable bill of lading, a non-negotiable sea waybill, an inland waterway document, or a multimodal transport document).

Where the seller and the buyer have agreed to communicate electronically, the document referred to in the preceding paragraph may be replaced by an equivalent electronic data interchange (EDI) message.

B.8. Proof of delivery, transport document or equivalent electronic message

Accept the proof of delivery in accordance with A.8.

A.9. Checking—packaging—marking

Pay the costs of those checking operations (such as checking quality, measuring, weighing, counting) which are necessary for the purpose of delivering the goods in accordance with A.4.

Provide at his own expense packaging (unless it is usual for the particular trade to ship the goods of the contract description unpacked) which is required for the transport of the goods, to the extent that the circumstances relating to the transport (e.g. modalities, destination) are made known to the seller before the contract of sale is concluded. Packaging is to be marked appropriately.

B.9. Inspection of goods

Pay, unless otherwise agreed, the costs of pre-shipment inspection except when mandated by the authorities of the country of export.

A.10. Other obligations

Render the buyer at the latter's request, risk and expense, every assistance in obtaining any documents or equivalent electronic messages (other than those mentioned in A.8.) issued or transmitted in the country of shipment and/or of origin which the buyer may require for the importation of the goods and, where necessary, for their transit through another country.

Provide the buyer, upon request, with the necessary information for procuring insurance.

B.10. Other obligations

Pay all costs and charges incurred in obtaining the documents or equivalent electronic messages mentioned in A.10. and reimburse those incurred by the seller in rendering his assistance in accordance therewith.

Cost and Freight (... named port of destination) CFR

"Cost and Freight" means that the seller must pay the costs and freight necessary to bring the goods to the named port of destination but the risk of loss of or damage to the goods, as well as any additional costs due to events occurring after the time the goods have been delivered on board the vessel is transferred from the seller to the buyer when the goods pass the ship's rail in the port of shipment.

The CFR term requires the seller to clear the goods for export.

This term can only be used for sea and inland waterway transport. When the ship's rail serves no practical purpose, such as in the case of roll-on/roll-off or container traffic, the CPT term is more appropriate to use.

A. THE SELLER MUST

A.1. Provision of goods in conformity with the contract

Provide the goods and the commercial invoice, or its equivalent electronic message, in conformity with the contract of sale and any other evidence of conformity which may be required by the contract.

A.2. Licences, authorisations and formalities

Obtain at his own risk and expense any export licence or other official authorisation and carry out all customs formalities necessary for the exportation of the goods.

A.3. Contract of carriage and insurance

(a) Contract of carriage

Contract on usual terms at his own expense for the carriage of the goods to the named port of destination by the usual route in a seagoing vessel (or inland waterway vessel as appropriate) of the type normally used for the transport of goods of the contract description.

(b) Contract of insurance

No obligation.

A.4. Delivery

Deliver the goods on board the vessel at the port of shipment on the date or within the period stipulated.

B. THE BUYER MUST

B.1. Payment of the price

Pay the price as provided in the contract of sale.

B.2. Licences, authorisations and formalities

Obtain at his own risk and expense any import licence or other official authorisation and carry out all customs formalities for the importation of the goods and, where necessary, for their transit through another country.

B.3. Contract of carriage

No obligation.

B.4. Taking delivery

Accept delivery of the goods when they have been delivered in accordance with A.4. and receive them from the carrier at the named port of destination.

A.5. Transfer of risks

Subject to the provisions of B.5., bear all risks of loss of or damage to the goods until such time as they have passed the ship's rail at the port of shipment.

B.5. Transfer of risks

Bear all risks of loss of or damage to the goods from the time they have passed the ship's rail at the port of shipment.

Should he fail to give notice in accordance with B.7., bear all risks of loss of or damage to the goods from the agreed date or the expiry date of the period fixed for shipment, provided, however, that the goods have been duly appropriated to the contract, that is to say, clearly set aside or otherwise identified as the contract goods.

A.6. Division of costs

Subject to the provisions of B.6.

— pay all costs relating to the goods until they have been delivered in accordance with A.4. as well as the freight and all other costs resulting from A.3.*(a)*, including costs of loading the goods on board and any charges for unloading at the port of discharge which may be levied by regular shipping lines when contracting for carriage;

— pay the costs of customs formalities necessary for exportation as well as all duties, taxes and other official charges payable upon exportation.

B.6. Division of costs

Subject to the provisions of A.3., pay all costs relating to the goods from the time they have been delivered in accordance with A.4. and, unless such costs and charges have been levied by regular shipping lines when contracting for carriage, pay all costs and charges relating to the goods whilst in transit until their arrival at the port of destination, as well as unloading costs including lighterage and wharfage charges.

Should he fail to give notice in accordance with B.7., pay the additional costs thereby incurred for the goods from the agreed date or the expiry date of the period fixed for shipment, provided, however, that the goods have been duly appropriated to the contract, that is to say, clearly set aside or otherwise identified as the contract goods.

Pay all duties, taxes and other official charges as well as the costs of carrying out customs formalities payable upon importation of the goods and, where necessary, for their transit through another country.

A.7. Notice to the buyer

Give the buyer sufficient notice that the goods have been delivered on board the vessel as well as any other notice required in order to allow the buyer to take measures which are normally necessary to enable him to take the goods.

B.7. Notice to the seller

Whenever he is entitled to determine the time for shipping the goods and/or the port of destination, give the seller sufficient notice thereof.

A.8. Proof of delivery, transport document or equivalent electronic message

Unless otherwise agreed, at his own expense provide the buyer without delay with the usual transport document for the agreed port of destination.

This document (for example, a negotiable bill of lading, a non-negotiable sea waybill or an inland waterway document) must cover the contract goods, be dated within the period agreed for shipment, enable the buyer to claim the goods from the carrier at destination and, unless otherwise agreed, enable the buyer to sell the goods in transit by the transfer of the document to a subsequent buyer (the negotiable bill of lading) or by notification to the carrier.

When such a transport document is issued in several originals, a full set of originals must be presented to the buyer. If the transport document contains a reference to a charter party, the seller must also provide a copy of this latter document.

Where the seller and the buyer have agreed to communicate electronically, the document referred to in the preceding paragraphs may be replaced by an equivalent electronic data interchange (EDI) message.

B.8. Proof of delivery, transport document or equivalent electronic message

Accept the transport document in accordance with A.8. if it is in conformity with the contract.

A.9. Checking—packaging—marking

Pay the costs of those checking operations (such as checking quality, measuring, weighing, counting) which are necessary for the purpose of delivering the goods in accordance with A.4.

Provide at his own expense packaging (unless it is usual for the particular trade to ship the goods of the contract description unpacked) which is required for the transport of the goods arranged by him. Packaging is to be marked appropriately.

A.10. Other obligations

Render the buyer at the latter's request, risk and expense, every assistance in obtaining any documents or equivalent electronic messages (other than those mentioned in A.8.) issued or transmitted in the country of shipment and/or of origin which the buyer may require for the importation of the goods and, where necessary, for their transit through another country.

Provide the buyer, upon request, with the necessary information for procuring insurance.

B.9. Inspection of goods

Pay, unless otherwise agreed, the costs of pre-shipment inspection except when mandated by the authorities of the country of exportation.

B.10. Other obligations

Pay all costs and charges incurred in obtaining the documents or equivalent electronic messages mentioned in A.10. and reimburse those incurred by the seller in rendering his assistance in accordance therewith.

Cost, insurance and freight (... named port of destination) CIF

"Cost, Insurance and Freight" means that the seller has the same obligations as under CFR but with the addition that he has to procure marine insurance against the buyer's risk of loss of or damage to the goods during the carriage. The seller contracts for insurance and pays the insurance premium.

The buyer should note that under the CIF term the seller is only required to obtain insurance on minimum coverage.

The CIF term requires the seller to clear the goods for export.

This term can only be used for sea and inland waterway transport. When the ship's rail serves no practical purposes such as in the case of roll-on/roll-off or container traffic, the CIP term is more appropriate to use.

A. THE SELLER MUST

A.1. Provision of goods in conformity with the contract

Provide the goods and the commercial invoice, or its equivalent electronic message, in conformity with the contract of sale and any other evidence of conformity which may be required by the contract.

A.2. Licences, authorisations and formalities

Obtain at his own risk and expense any export licence or other official authorisation and carry out all customs formalities necessary for the exportation of the goods.

A.3. Contract of carriage and insurance

(a) Contract of carriage

Contract on usual terms at his own expense for the carriage of the goods to the named port of destination by the usual route

B. THE BUYER MUST

B.1. Payment of the price

Pay the price as provided in the contract of sale.

B.2. Licences, authorisations and formalities

Obtain at his own risk and expense any import licence or other official authorisation and carry out all customs formalities for the importation of the goods and, where necessary, for their transit through another country.

B.3. Contract of carriage

No obligation.

in a seagoing vessel (or inland waterway vessel as appropriate) of the type normally used for the transport of goods of the contract description.

(b) Contract of insurance

Obtain at his own expense cargo insurance as agreed in the contract, that the buyer, or any other person having an insurable interest in the goods, shall be entitled to claim directly from the insurer and provide the buyer with the insurance policy or other evidence of insurance cover.

The insurance shall be contracted with underwriters or an insurance company of good repute and, failing express agreement to the contrary, be in accordance with minimum cover of the Institute Cargo Clauses (Institute of London Underwriters) or any similar set of clauses. The duration of insurance cover shall be in accordance with B.5. and B.4. When required by the buyer, the seller shall provide at the buyer's expense war, strikes, riots and civil commotion risk insurances if procurable. The minimum insurance shall cover the price provided in the contract plus ten per cent (i.e. 110%) and shall be provided in the currency of the contract.

A.4. Delivery

Deliver the goods on board the vessel at the port of shipment on the date or within the period stipulated.

A.5. Transfer of risks

Subject to the provisions of B.5., bear all risks of loss of or damage to the goods until such time as they have passed the ship's rail at the port of shipment.

A.6. Division of costs

Subject to the provisions of B.6.

— pay all costs relating to the goods until they have been delivered in accordance with A.4., as well as the freight and all other costs resulting from A.3., including costs of loading the goods on board and any charges for unloading at the port of discharge which may be levied by regular shipping lines when contracting for carriage;

— pay the costs of customs formalities necessary for exportation as well as all duties, taxes and other official charges payable upon exportation.

A.7. Notice to the buyer

Give the buyer sufficient notice that the goods have been delivered on board the vessel as well as any other notice required in order to allow the buyer to take measures which are normally necessary to enable him to take the goods.

B.4. Taking delivery

Accept delivery of the goods when they have been delivered in accordance with A.4. and receive them from the carrier at the named port of destination.

B.5. Transfer of risks

Bear all risks of loss of or damage to the goods from the time they have passed the ship's rail at the port of shipment.

Should he fail to give notice in accordance with B.7., bear all risks of loss of or damage to the goods from the agreed date or the expiry date of the period fixed for shipment, provided, however, that the goods have been duly appropriated to the contract, that is to say, clearly set aside or otherwise identified as the contract goods.

B.6. Division of costs

Subject to the provisions of A.3., pay all costs relating to the goods from the time they have been delivered in accordance with A.4. and, unless such costs and charges have been levied by regular shipping lines when contracting for carriage, pay all costs and charges relating to the goods whilst in transit until their arrival at the port of destination, as well as unloading costs including lighterage and wharfage charges.

Should he fail to give notice in accordance with B.7., pay the additional costs thereby incurred for the goods from the agreed date or the expiry date of the period fixed for shipment, provided, however, that the goods have been duly appropriated to the contract, that is to say, clearly set aside or otherwise identified as the contract goods.

Pay all duties, taxes and other official charges as well as the costs of carrying out customs formalities payable upon importation of the goods and, where necessary, for their transit through another country.

B.7. Notice to the seller

Whenever he is entitled to determine the time for shipping the goods and/or the port of destination, give the seller sufficient notice thereof.

A.8. Proof of delivery, transport document or equivalent electronic message

Unless otherwise agreed, at his own expense provide the buyer without delay with the usual transport document for the agreed port of destination.

This document (for example, a negotiable bill of lading, a non-negotiable sea waybill or an inland waterway document) must cover the contract goods, be dated within the period agreed for shipment, enable the buyer to claim the goods from the carrier at destination and, unless otherwise agreed, enable the buyer to sell the goods in transit by the transfer of the document to a subsequent buyer (the negotiable bill of lading) or by notification to the carrier.

When such a transport document is issued in several originals, a full set of originals must be presented to the buyer. If the transport document contains a reference to a charter party, the seller must also provide a copy of this latter document.

Where the seller and the buyer have agreed to communicate electronically, the document referred to in the preceding paragraphs may be replaced by an equivalent electronic data interchange (EDI) message.

B.8. Proof of delivery, transport document or equivalent electronic message

Accept the transport document in accordance with A.8. if it is in conformity with the contract.

A.9. Checking—packaging—marking

Pay the costs of those checking operations (such as checking quality, measuring, weighing, counting) which are necessary for the purpose of delivering the goods in accordance with A.4.

Provide at his own expense packaging (unless it is usual for the particular trade to ship the goods of the contract description unpacked) which is required for the transport of the goods arranged by him. Packaging is to be marked appropriately.

B.9. Inspection of goods

Pay, unless otherwise agreed, the costs of pre-shipment inspection except when mandated by the authorities of the country of exportation.

A.10. Other obligations

Render the buyer at the latter's request, risk and expense, every assistance in obtaining any documents or equivalent electronic messages (other than those mentioned in A.8.) issued or transmitted in the country of shipment and/or of origin which the buyer may require for the importation of the goods and, where necessary, for their transit through another country.

B.10. Other obligations

Pay all costs and charges incurred in obtaining the documents or equivalent electronic messages mentioned in A.10. and reimburse those incurred by the seller in rendering his assistance in accordance therewith.

Provide the seller, upon request, with the necessary information for procuring insurance.

Carriage paid to (... named place of destination) CPT

"Carriage paid to..." means that the seller pays the freight for the carriage of the goods to the named destination. The risk of loss of or damage to the goods, as well as any additional costs due to events occurring after the time the goods have been delivered to the carrier is transferred from the seller to the buyer when the goods have been delivered into the custody of the carrier.

"Carrier" means any person who, in a contract of carriage, undertakes to perform or to procure the performance of carriage, by rail, road, sea, air, inland waterway or by a combination of such modes.

If subsequent carriers are used for the carriage to the agreed destination, the risk passes when the goods have been delivered to the first carrier.

The CPT term requires the seller to clear the goods for export.

This term may be used for any mode of transport including multimodal transport.

A. THE SELLER MUST

A.1. Provision of goods in conformity with the contract

Provide the goods and the commercial invoice, or its equivalent electronic message, in conformity with the contract of sale and any other evidence of conformity which may be required by the contract.

A.2. Licences, authorisations and formalities

Obtain at his own risk and expense any export licence or other official authorisation and carry out all customs formalities necessary for the exportation of the goods.

A.3. Contract of carriage and insurance

(a) Contract of carriage

Contract on usual terms at his own expense for the carriage of the goods to the agreed point at the named place of destination by a usual route and in a customary manner. If a point is not agreed or is not determined by practice, the seller may select the point at the named place of destination which best suits his purpose.

(b) Contract of insurance

No obligation.

A.4. Delivery

Deliver the goods into the custody of the carrier or, if there are subsequent carriers, to the first carrier, for transportation to the named place of destination on the date or within the period stipulated.

A.5. Transfer of risks

Subject to the provisions of B.5., bear all risks of loss of or damage to the goods until such time as they have been delivered in accordance with A.4.

A.6. Division of costs

Subject to the provisions of B.6.

— pay all costs relating to the goods until they have been delivered in accordance with A.4., as well as the freight and all other costs resulting from A.3.*(a)*, including costs of loading the goods and any charges for unloading at the place of destination which may be included in the freight or incurred by the seller when contracting for carriage;

— pay the costs of customs formalities necessary for exportation as well as all duties, taxes or other official charges payable upon exportation.

B. THE BUYER MUST

B.1. Payment of the price

Pay the price as provided in the contract of sale.

B.2. Licences, authorisations and formalities

Obtain at his own risk and expense any import licence or other official authorisation and carry out all customs formalities for the importation of the goods and, where necessary, for their transit through another country.

B.3. Contract of carriage

No obligation.

B.4. Taking delivery

Accept delivery of the goods when they have been delivered in accordance with A.4. and receive them from the carrier at the named place of destination.

B.5. Transfer of risks

Bear all risks of loss of or damage to the goods from the time they have been delivered in accordance with A.4.

Should he fail to give notice in accordance with B.7., bear all risks of the goods from the agreed date or the expiry date of the period fixed for delivery, provided, however, that the goods have been duly appropriated to the contract, that is to say, clearly set aside or otherwise identified as the contract goods.

B.6. Division of costs

Subject to the provisions of A.3.*(a)*, pay all costs relating to the goods from the time they have been delivered in accordance with A.4. and, unless such costs and charges have been included in the freight or incurred by the seller when contracting for carriage in accordance with A.3.*(a)*, pay all costs and charges relating to the goods whilst in transit until their arrival at the agreed place of destination, as well as unloading costs.

Should he fail to give notice in accordance with B.7., pay the additional costs thereby incurred for the goods from the agreed date or the expiry date of the period fixed for dispatch, provided, however, that the goods have been duly appropriated to the contract, that is to say, clearly set aside or otherwise identified as the contract goods.

Pay all duties, taxes and other official charges as well as the costs of carrying out customs formalities payable upon importation of the goods and, where necessary, for their transit through another country.

A.7. Notice to the buyer

Give the buyer sufficient notice that the goods have been delivered in accordance with A.4. as well as any other notice required in order to allow the buyer to take measures which are normally necessary to enable him to take the goods.

B.7. Notice to the seller

Whenever he is entitled to determine the time for dispatching the goods and/or the destination, give the seller sufficient notice thereof.

A.8. Proof of delivery, transport document or equivalent electronic message

Provide the buyer at the seller's expense, if customary, with the usual transport document (for example a negotiable bill of lading, a non-negotiable sea waybill, an inland waterway document, an air waybill, a railway consignment note, a road consignment note, or a multimodal transport document).

Where the seller and the buyer have agreed to communicate electronically, the document referred to in the preceding paragraph may be replaced by an equivalent electronic data interchange (EDI) message.

B.8. Proof of delivery, transport document or equivalent electronic message

Accept the transport document in accordance with A.8. if it is in conformity with the contract.

A.9. Checking—packaging—marking

Pay the costs of those checking operations (such as checking quality, measuring, weighing, counting) which are necessary for the purpose of delivering the goods in accordance with A.4.

Provide at his own expense packaging (unless it is usual for the particular trade to send the goods of the contract description unpacked) which is required for the transport of the goods arranged by him. Packaging is to be marked appropriately.

B.9. Inspection of goods

Pay, unless otherwise agreed, the costs of pre-shipment inspection except when mandated by the authorities of the country of exportation.

A.10. Other obligations

Render the buyer at the latter's request, risk and expense, every assistance in obtaining any documents or equivalent electronic messages (other than those mentioned in A.8.) issued or transmitted in the country of dispatch and/or of origin which the buyer may require for the importation of the goods and, where necessary, for their transit through another country.

Provide the buyer, upon request, with the necessary information for procuring insurance.

B.10. Other obligations

Pay all costs and charges incurred in obtaining the documents or equivalent electronic messages mentioned in A.10. and reimburse those incurred by the seller in rendering his assistance in accordance therewith.

Carriage and insurance paid to (... named place of destination) CIP

"Carriage and insurance paid to..." means that the seller has the same obligations as under CPT but with the addition that the seller has to procure cargo insurance against the buyer's risk of loss of or damage to the goods during the carriage. The seller contracts for insurance and pays the insurance premium.

The buyer should note that under the CIP term the seller is only required to obtain insurance on minimum coverage.

The CIP term requires the seller to clear the goods for export.

This term may be used for any mode of transport including multimodal transport.

A. THE SELLER MUST

A.1. Provision of goods in conformity with the contract

Provide the goods and the commercial invoice, or its equivalent electronic message, in conformity with the contract of sale and any other evidence of conformity which may be required by the contract.

A.2. Licences, authorisations and formalities

Obtain at his own risk and expense any export licence or other official authorisation and carry out all customs formalities necessary for the exportation of the goods.

A.3. Contract of carriage and insurance

(a) Contract of carriage

Contract on usual terms at his own expense for the carriage of the goods to the agreed point at the named place of destination by a usual route and in a customary manner. If a point is not agreed or is not determined by practice, the seller may select the point at the named place of destination which best suits his purpose.

(b) Contract of insurance

Obtain at his own expense cargo insurance as agreed in the contract, that the buyer, or any other person having an insurable interest in the goods, shall be entitled to claim directly from the insurer and provide the buyer with the insurance policy or other evidence of insurance cover.

The insurance shall be contracted with underwriters or an insurance company of good repute and, failing express agreement to the contrary, be in accordance with minimum cover of the Institute Cargo Clauses (Institute of London Underwriters) or any similar set of clauses. The duration of insurance cover shall be in accordance with B.5. and B.4. When required by the buyer, the seller shall provide at the buyer's expense war, strikes, riots and civil commotion risk insurances if procurable. The minimum insurance shall cover the price provided in the contract plus ten per cent (i.e. 110%) and shall be provided in the currency of the contract.

A.4. Delivery

Deliver the goods into the custody of the carrier or, if there are subsequent carriers, to the first carrier, for transportation to the named place of destination on the date or within the period stipulated.

A.5. Transfer of risks

Subject to the provisions of B.5., bear all risks of loss of or damage to the goods until such time as they have been delivered in accordance with A.4.

B. THE BUYER MUST

B.1. Payment of the price

Pay the price as provided in the contract of sale.

B.2. Licences, authorisations and formalities

Obtain at his own risk and expense any import licence or other official authorisation and carry out all customs formalities for the importation of the goods and, where necessary, for their transit through another country.

B.3. Contract of carriage

No obligation.

B.4. Taking delivery

Accept delivery of the goods when they have been delivered in accordance with A.4. and receive them from the carrier at the named port of destination.

B.5. Transfer of risks

Bear all risks of loss of or damage to the goods from the time they have been delivered in accordance with A.4.

Should he fail to give notice in accordance with B.7., bear all risks of the goods from the agreed date or the expiry date of the period fixed for delivery provided, however, that the goods have been duly appropriated to the contract, that is to say, clearly set aside or otherwise identified as the contract goods.

A.6. Division of costs

Subject to the provisions of B.6.

— pay all costs relating to the goods until they have been delivered in accordance with A.4. as well as the freight and all other costs resulting from A.3. including costs of loading the goods and any charges for unloading at the place of destination which may be included in the freight or incurred by the seller when contracting for carriage;

— pay the costs of customs formalities necessary for exportation as well as all duties, taxes or other official charges payable upon exportation.

B.6. Division of costs

Subject to the provisions of A.3., pay all costs relating to the goods from the time they have been delivered in accordance with A.4. and, unless such costs and charges have been included in the freight or incurred by the seller when contracting for carriage in accordance with A.3.*(a)*, pay all costs and charges relating to the goods whilst in transit until their arrival at the agreed place of destination, as well as unloading costs.

Should he fail to give notice in accordance with B.7., pay the additional costs thereby incurred for the goods from the agreed date or the expiry date of the period fixed for dispatch provided, however, that the goods have been duly appropriated to the contract, that is to say, clearly set aside or otherwise identified as the contract goods.

Pay all duties, taxes and other official charges as well as the costs of carrying out customs formalities payable upon importation of the goods and, where necessary, for their transit through another country.

A.7. Notice to the buyer

Give the buyer sufficient notice that the goods have been delivered in accordance with A.4. as well as any other notice required in order to allow the buyer to take measures which are normally necessary to enable him to take the goods.

B.7. Notice to the seller

Whenever he is entitled to determine the time for dispatching the goods and/or the destination, give the seller sufficient notice thereof.

A.8. Proof of delivery, transport document or equivalent electronic message

Provide the buyer at the seller's expense, if customary, with the usual transport document (for example, a negotiable bill of lading, a non-negotiable sea waybill, an inland waterway document, an air waybill, a railway consignment note, a road consignment note or a multimodal transport document).

Where the seller and the buyer have agreed to communicate electronically, the document referred to in the preceding paragraph may be replaced by an equivalent electronic data interchange (EDI) message.

B.8. Proof of delivery, transport document or equivalent electronic message

Accept the transport document in accordance with A.8. if it is in conformity with the contract.

A.9. Checking—packaging—marking

Pay the costs of those checking operations (such as checking quality, measuring, weighing, counting) which are necessary for the purpose of delivering the goods in accordance with A.4.

Provide at his own expense packaging (unless it is usual for the particular trade to send the goods of the contract description unpacked) which is required for the transport of the goods arranged by him. Packaging is to be marked appropriately.

B.9. Inspection of goods

Pay, unless otherwise agreed, the costs of pre-shipment inspection except when mandated by the authorities of the country of exportation.

A.10. Other obligations

Render the buyer at the latter's request, risk and expense, every assistance in obtaining any documents or equivalent electronic messages (other than those mentioned in A.8.) issued or transmitted in the country of dispatch and/or of origin, which the buyer may require for the importation of the goods and where necessary, for their transit through another country.

B.10. Other obligations

Pay all costs and charges incurred in obtaining the documents or equivalent electronic messages mentioned in A.10. and reimburse those incurred by the seller in rendering his assistance in accordance therewith.

Provide the seller, upon request, with the necessary information for procuring insurance.

Delivered at frontier (... named place) DAF

"Delivered at Frontier" means that the seller fulfils his obligation to deliver when the goods have been made available, cleared for export, at the named point and place at the frontier, but before the customs border of the adjoining country. The term "frontier" may be used for any frontier including that of the country of export. Therefore, it is of vital importance that the frontier in question be defined precisely by always naming the point and place in the term.

The term is primarily intended to be used when goods are to be carried by rail or road, but it may be used for any mode of transport.

A. THE SELLER MUST

A.1. Provision of goods in conformity with the contract

Provide the goods and the commercial invoice, or its equivalent electronic message, in conformity with the contract of sale and any other evidence of conformity which may be required by the contract.

A.2. Licences, authorisations and formalities

Obtain at his own risk and expense any export licence or other official authorisation or other document necessary for placing the goods at the buyer's disposal. Carry out all customs formalities for the exportation of the goods to the named place of delivery at the frontier and, where necessary, for their prior transit through another country.

A.3. Contract of carriage and insurance

(a) Contract of carriage

Contract at his own expense for the carriage of the goods by a usual route and in a customary manner to the named point at the place of delivery at the frontier (including, if necessary, for their transit through another country).

If a point at the named place of delivery at the frontier is not agreed or is not determined by practice, the seller may select the point at the named place of delivery which best suits his purpose.

(b) Contract of insurance

No obligation.

A.4. Delivery

Place the goods at the disposal of the buyer at the named place of delivery at the frontier on the date or within the period stipulated.

A.5. Transfer of risks

Subject to the provisions of B.5., bear all risks of loss of or damage to the goods until such time as they have been delivered in accordance with A.4.

B. THE BUYER MUST

B.1. Payment of the price

Pay the price as provided in the contract of sale.

B.2. Licences, authorisations and formalities

Obtain at his own risk and expense any import licence or other official authorisation and carry out all customs formalities at the named point of delivery at the frontier or elsewhere for the importation of the goods and, where necessary, for their subsequent transport.

B.3. Contract of carriage

No obligation.

B.4. Taking delivery

Take delivery of the goods as soon as they have been placed at his disposal in accordance with A.4.

B.5. Transfer of risks

Bear all risks of loss of or damage to the goods from the time they have been placed at his disposal in accordance with A.4.

Should he fail to give notice in accordance with B.7., bear all risks of loss of or damage to the goods from the agreed date or the expiry date of the period stipulated for delivery provided, however, that the goods have been duly appropriated to the contract, that is to say, clearly set aside or otherwise identified as the contract goods.

A.6. Division of costs

Subject to the provisions of B.6.

— pay all costs of the goods until they have been delivered in accordance with A.4. as well as in addition to costs resulting from A.3.*(a)*, the expenses of discharge operations (including lighterage and handling charges), if it is necessary or customary for the goods to be discharged on their arrival at the named place of delivery at the frontier, in order to place them at the buyer's disposal;

— pay the costs of customs formalities necessary for exportation as well as all duties, taxes or other official charges payable upon exportation and, where necessary, for their transit through another country prior to delivery in accordance with A.4.

A.7. Notice to the buyer

Give the buyer sufficient notice of the dispatch of the goods to the named place at the frontier as well as any other notice required in order to allow the buyer to take measures which are normally necessary to enable him to take the goods.

A.8. Proof of delivery, transport document or equivalent electronic message

Provide the buyer at the seller's expense with the usual document or other evidence of the delivery of the goods at the named place at the frontier.

Provide the buyer at the latter's request, risk and expense, with a through document of transport normally obtained in the country of dispatch covering on usual terms the transport of the goods from the point of dispatch in that country to the place of final destination in the country of importation named by the buyer.

Where the seller and the buyer have agreed to communicate electronically, the document referred to in the preceding paragraph may be replaced by an equivalent electronic data interchange (EDI) message.

A.9. Checking—packaging—marking

Pay the costs of those checking operations (such as checking quality, measuring, weighing, counting) which are necessary for the purpose of delivering the goods in accordance with A.4.

Provide at his own expense packaging (unless it is usual for the particular trade to deliver the goods of the contract description unpacked) which is required for the delivery of the goods at the frontier and for the subsequent transport to the extent that the circumstances (e.g. modalities, destination) are made known to the seller before the contract of sale is concluded. Packaging is to be marked appropriately.

A.10. Other obligations

Render the buyer at the latter's request, risk and expense, every assistance in obtaining any documents or equivalent electronic messages (other than those mentioned in A.8.) issued or transmitted in the country of dispatch and/or origin which the buyer may require for the importation of the goods and, where necessary, for their transit through another country.

B.6. Division of costs

Pay all costs relating to the goods from the time they have been placed at his disposal in accordance with A.4.

Should he fail to take delivery of the goods when they have been placed at his disposal in accordance with A.4., or to give notice in accordance with B.7., bear all additional costs incurred thereby provided, however, that the goods have been appropriated to the contract, that is to say, clearly set aside or otherwise identified as the contract goods.

Pay all duties, taxes and other official charges as well as the costs of carrying out customs formalities payable upon importation of the goods and, where necessary, for their subsequent transport.

B.7. Notice to the seller

Whenever he is entitled to determine the time within a stipulated period and/or the place of taking delivery, give the seller sufficient notice thereof.

B.8. Proof of delivery, transport document or equivalent electronic message

Accept the transport document and/or other evidence of delivery in accordance with A.8.

B.9. Inspection of goods

Pay, unless otherwise agreed, the costs of pre-shipment inspection except when mandated by the authorities of the country of exportation.

B.10. Other obligations

Pay all costs and charges incurred in obtaining the documents or equivalent electronic messages mentioned in A.10. and reimburse those incurred by the seller in rendering his assistance in accordance therewith.

If necessary, provide the seller at his request and the buyer's risk and expense with exchange control authorisation, permits, other documents or certified copies thereof, or with the

Provide the buyer, upon request, with the necessary information for procuring insurance.

address of the final destination of the goods in the country of importation for the purpose of obtaining the through document of transport or any other document contemplated in A.8.

Delivered Ex Ship (... named port of destination) DES

"Delivered Ex Ship" means that the seller fulfils his obligation to deliver when the goods have been made available to the buyer on board the ship uncleared for import at the named port of destination. The seller has to bear the all costs and risks involved in bringing the goods to the named port of destination.

This term can only be used for sea or inland waterway transport.

A. THE SELLER MUST

A.1. Provision of goods in conformity with the contract

Provide the goods and the commercial invoice, or its equivalent electronic message, in conformity with the contract of sale and any other evidence of conformity which may be required by the contract.

A.2. Licences, authorisations and formalities

Obtain at his own risk and expense any export licence or other official authorisation and carry out all customs formalities necessary for the exportation of the goods and, where necessary, for their transit through another country.

A.3. Contract of carriage and insurance

(a) Contract of carriage

Contract at his own expense for the carriage of the goods by a usual route and in a customary manner to the named place at the named port of destination. If a point is not agreed or is not determined by practice, the seller may select the point at the named port of destination which best suits his purpose.

(b) Contract of insurance

No obligation.

A.4. Delivery

Place the goods at the disposal of the buyer on board the vessel at the usual unloading point in the named port of destination uncleared for import on the date or within the period stipulated, in such a way as to enable them to be removed from the vessel by unloading equipment appropriate to the nature of the goods.

A.5. Transfer of risks

Subject to the provisions of B.5., bear all risks of loss of or damage to the goods until such time as they have been delivered in accordance with A.4.

B. THE BUYER MUST

B.1. Payment of the price

Pay the price as provided in the contract of sale.

B.2. Licences, authorisations and formalities

Obtain at his own risk and expense any import licence or other official authorisation and carry out all customs formalities necessary for the importation of the goods.

B.3. Contract of carriage

No obligation.

B.4. Taking delivery

Take delivery of the goods as soon as they are placed at his disposal in accordance with A.4.

B.5. Transfer of risks

Bear all risks of loss of or damage to the goods from the time they have been placed at his disposal in accordance with A.4.

Should he fail to give notice in accordance with B.7., bear all risks of loss of or damage to the goods from the agreed date or the expiry date of the period stipulated for delivery provided, however, that the goods have been duly appropriated to the contract, that is to say, clearly set aside or otherwise identified as the contract goods.

A.6. Division of costs

Subject to the provisions of B.6.

— in addition to costs resulting from A.3.*(a)*, pay all costs relating to the goods until such time as they have been delivered in accordance with A.4.;

— pay the costs of customs formalities necessary for exportation as well as all duties, taxes or other official charges payable upon exportation and, where necessary, for their transit through another country prior to delivery in accordance with A.4.

B.6. Division of costs

Pay all costs relating to the goods including unloading from the time they have been placed at his disposal in accordance with A.4.

Should he fail to take delivery of the goods when they have been placed at his disposal in accordance with A.4., or to give notice in accordance with B.7., bear all additional costs incurred thereby provided, however, that the goods have been appropriated to the contract, that is to say, clearly set aside or otherwise identified as the contract goods.

Pay all duties, taxes and other official charges as well as the costs of carrying out customs formalities payable upon importation of the goods.

A.7. Notice to the buyer

Give the buyer sufficient notice of the estimated time of arrival of the named vessel in accordance with A.4. as well as any other notice required in order to allow the buyer to take measures which are normally necessary to enable him to take the goods.

B.7. Notice to the seller

Whenever he is entitled to determine the time within a stipulated period and/or the place of taking delivery, give the seller sufficient notice thereof.

A.8. Proof of delivery, transport document or equivalent electronic message

Provide the buyer at the seller's expense with the delivery order and/or the usual transport document (for example a negotiable bill of lading, a non-negotiable sea waybill, an inland waterway document, or a multimodal transport document) to enable the buyer to take delivery of the goods.

Where the seller and the buyer have agreed to communicate electronically, the document referred to in the preceding paragraph may be replaced by an equivalent electronic data interchange (EDI) message.

B.8. Proof of delivery, transport document or equivalent electronic message

Accept the delivery order or the transport document in accordance with A.8.

A.9. Checking—packaging—marking

Pay the costs of those checking operations (such as checking quality, measuring, weighing, counting) which are necessary for the purpose of delivering the goods in accordance with A.4.

Provide at his own expense packaging (unless it is usual for the particular trade to deliver the goods of the contract description unpacked) which is required for the delivery of the goods. Packaging is to be marked appropriately.

B.9. Inspection of goods

Pay, unless otherwise agreed, the costs of pre-shipment inspection except when mandated by the authorities of the country of exportation.

A.10. Other obligations

Render the buyer at the latter's request, risk and expense, every assistance in obtaining any documents or equivalent electronic messages (other than those mentioned in A.8.) issued or transmitted in the country of dispatch and/or of origin which the buyer may require for the importation of the goods.

Provide the buyer, upon request, with the necessary information for procuring insurance.

B.10. Other obligations

Pay all costs and charges incurred in obtaining the documents or equivalent electronic messages mentioned in A.10. and reimburse those incurred by the seller in rendering his assistance in accordance therewith.

Delivered Ex Quay (duty paid) (... named port of destination) DEQ

"Delivered Ex Quay (duty paid)" means that the seller fulfils his obligation to deliver when he has made the goods available to the buyer on the quay (wharf) at the named port of destination, cleared for importation. The seller has to bear all risks and costs including duties, taxes and other charges of delivering the goods thereto.

This term should not be used if the seller is unable directly or indirectly to obtain the import licence.

If the parties wish the buyer to clear the goods for importation and pay the duty the words "duty unpaid" should be used instead of "duty paid".

If the parties wish to exclude from the seller's obligations some of the costs payable upon importation of the goods (such as value added tax (VAT)), this should be made clear by adding words to this effect: "Delivered ex quay, VAT unpaid (... named port of destination)".

This term can only be used for sea or inland waterway transport.

A. THE SELLER MUST

A.1. Provision of goods in conformity with the contract

Provide the goods and the commercial invoice, or its equivalent electronic message, in conformity with the contract of sale and any other evidence of conformity which may be required by the contract.

A.2. Licences, authorisations and formalities

Obtain at his own risk and expense any export and import licence or other official authorisation and carry out all customs formalities for the exportation and importation of the goods and, where necessary, for their transit through another country.

A.3. Contract of carriage and insurance

(a) Contract of carriage

Contract at his own expense for the carriage of the goods by a usual route and in a customary manner to the quay at the named port of destination. If a point is not agreed or is not determined by practice, the seller may select the point at the named port of destination which best suits his purpose.

(b) Contract of insurance

No obligation.

A.4. Delivery

Place the goods at the disposal of the buyer on the quay or wharf at the agreed port of destination and on the date or within the period stipulated.

A.5. Transfer of risks

Subject to the provisions of B.5., bear all risks of loss of or damage to the goods until such time as they have been delivered in accordance with A.4.

B. THE BUYER MUST

B.1. Payment of the price

Pay the price as provided in the contract of sale.

B.2. Licences, authorisations and formalities

Render the seller at the latter's request, risk and expense, every assistance in obtaining any import licence or other official authorisation necessary for the importation of the goods.

B.3. Contract of carriage

No obligation.

B.4. Taking delivery

Take delivery of the goods as soon as they have been placed at his disposal in accordance with A.4.

B.5. Transfer of risks

Bear all risks of loss of or damage to the goods from the time they have been placed at his disposal in accordance with A.4.

Should he fail to give notice in accordance with B.7., bear all risks of loss of or damage to the goods from the agreed date or the expiry date of the period stipulated for delivery provided, however, that the goods have been duly appropriated to the contract, that is to say, clearly set aside or otherwise identified as the contract goods.

A.6. Division of costs

Subject to the provisions of B.6.

— in addition to costs resulting from A.3.*(a)*, pay all costs relating to the goods until such time as they are delivered in accordance with A.4.;

— pay the costs of customs formalities as well as all duties, taxes and other official charges payable upon exportation and importation of the goods, unless otherwise agreed and, where necessary, for their transit through another country prior to delivery in accordance with A.4.

A.7. Notice to the buyer

Give the buyer sufficient notice of the estimated time of arrival of the named vessel in accordance with A.4., as well as any other notice required in order to allow the buyer to take measures which are normally necesssary to enable him to take the goods.

A.8. Transport document or equivalent electronic message

Provide the buyer at the seller's expense with the delivery order and/or the usual transport document (for example, a negotiable bill of lading, a non-negotiable sea waybill, an inland waterway document or a multimodal transport document) to enable him to take the goods and remove them from the quay.

Where the seller and the buyer have agreed to communicate electronically, the document referred to in the preceding paragraph may be replaced by an equivalent electronic data interchange (EDI) message.

A.9. Checking—packaging—marking

Pay the costs of those checking operations (such as checking quality, measuring, weighing, counting) which are necessary for the purpose of delivering the goods in accordance with A.4.

Provide at his own expense packaging (unless it is usual for the particular trade to deliver the goods of the contract description unpacked) which is required for the delivery of the goods. Packaging is to be marked appropriately.

A.10. Other obligations

Pay all costs and charges incurred in obtaining the documents or equivalent electronic messages mentioned in B.10. and reimburse those incurred by the buyer in rendering his assistance therewith.

Provide the buyer, upon request, with the necessary information for procuring insurance.

B.6. Division of costs

Pay all costs relating to the goods from the time they have been placed at his disposal in accordance with A.4.

Should he fail to take delivery of the goods when they have been placed at his disposal in accordance with A.4., or to give notice in accordance with B.7., bear all additional costs incurred thereby provided, however, that the goods have been appropriated to the contract, that is to say, clearly set aside or otherwise identified as the contract goods.

B.7. Notice to the seller

Whenever he is entitled to determine the time within a stipulated period and/or the place of taking delivery, give the seller sufficient notice thereof.

B.8. Proof of delivery, transport document or equivalent electronic message

Accept the delivery order or transport document in accordance with A.8.

B.9. Inspection of goods

Pay, unless otherwise agreed, the costs of pre-shipment inspection except when mandated by the authorities of the country of exportation.

B.10. Other obligations

Render the seller, at the latter's request, risk and expense, every assistance in obtaining any documents or equivalent electronic messages issued or transmitted in the country of importation which the seller may require for the purpose of placing the goods at the disposal of the buyer in accordance with these rules.

Delivered duty unpaid (... named place of destination) DDU

"Delivered duty unpaid" means that the seller fulfils his obligation to deliver when the goods have been made available at the named place in the country of importation. The seller has to bear the costs and risks involved in bringing the goods thereto, (excluding duties, taxes

and other official charges payable upon importation as well as the costs and risks of carrying out customs formalities). The buyer has to pay any additional costs and to bear any risks caused by his failure to clear the goods for import in time.

If the parties wish the seller to carry out customs formalities and bear the costs and risks resulting therefrom, this has to be made clear by adding words to this effect.

If the parties wish to include in the seller's obligations some of the costs payable upon importation of the goods (such as value added tax (VAT)), this should be made clear by adding words to this effect: "Delivered duty unpaid, VAT paid, (... named place of destination)".

This term may be used irrespective of the mode of transport.

A. THE SELLER MUST

A.1. Provision of the goods in conformity with the contract

Provide the goods and the commercial invoice, or its equivalent electronic message, in conformity with the contract of sale and any other evidence of conformity which may be required by the contract.

A.2. Licences, authorisations and formalities

Obtain at his own risk and expense any export licence and other official authorisation and carry out all customs formalities for the exportation of the goods and, where necessary, for their transit through another country.

A.3. Contract of carriage and insurance

(a) Contract of carriage

Contract on usual terms at his own expense for the carriage of the goods by a usual route and in the customary manner to the agreed point at the named place of destination. If a point is not agreed or is not determined by practice, the seller may select the point at the named place of destination which best suits his purpose.

(b) Contract of insurance

No obligation.

A.4. Delivery

Place the goods at the disposal of the buyer in accordance with A.3. on the date or within the period stipulated.

A.5. Transfer of risks

Subject to the provisions of B.5., bear all risks of loss of or damage to the goods until such time as they have been delivered in accordance with A.4.

B. THE BUYER MUST

B.1. Payment of the price

Pay the price as provided in the contract of sale.

B.2. Licences, authorisations and formalities

Obtain at his own risk and expense any import licence or other official authorisation and carry out all customs formalities necessary for the importation of the goods.

B.3. Contract of carriage

No obligation.

B.4. Taking delivery

Take delivery of the goods as soon as they have been placed at his disposal in accordance with A.4.

B.5. Transfer of risks

Bear all risks of loss of or damage to the goods from the time they have been placed at his disposal in accordance with A.4.

Should he fail to fulfil his obligations in accordance with B.2., bear all additional risks of loss of or damage to the goods incurred thereby and should he fail to give notice in accordance with B.7., bear all risks of loss of or damage to the goods from the agreed date or the expiry date of the period stipulated for delivery provided, however, that the goods have been duly appropriated to the contract, that is to say, clearly set aside or otherwise identified as the contract goods.

A.6. Division of costs

Subject to the provisions of B.6.

— in addition to costs resulting from A.3.*(a)*, pay all costs relating to the goods until such time as they have been delivered in accordance with A.4.;

— pay the costs of customs formalities necessary for exportation as well as all duties, taxes and other official charges payable upon exportation and, where necessary, for their transit through another country prior to delivery in accordance with A.4.

B.6. Division of costs

Pay all costs relating to the goods from the time they have been placed at his disposal at the named point of destination in accordance with A.4.

Should he fail to fulfil his obligations in accordance with B.2., or to take delivery of the goods when they have been placed at his disposal in accordance with A.4., or to give notice in accordance with B.7., bear all additional costs incurred thereby provided, however, that the goods have been duly appropriated to the contract, that is to say, clearly set aside or otherwise identified as the contract goods.

Pay all duties, taxes and other official charges as well as the costs of carrying out customs formalities payable upon importation of the goods.

A.7. Notice to the buyer

Give the buyer sufficient notice of the dispatch of the goods as well as any other notice required in order to allow the buyer to take measures which are normally necessary to enable him to take the goods.

B.7. Notice to the seller

Whenever he is entitled to determine the time within a stipulated period and/or the place of taking delivery, give the seller sufficient notice thereof.

A.8. Proof of delivery, transport document or equivalent electronic message

Provide at his own expense the delivery order and/or the usual transport document (for example a negotiable bill of lading, a non-negotiable sea waybill, an inland waterway document, an air waybill, a railway consignment note, a road consignment note, or a multimodal transport document) which the buyer may require to take delivery of the goods.

Where the seller and the buyer have agreed to communicate electronically, the document referred to in the preceding paragraph may be replaced by an equivalent electronic data interchange (EDI) message.

B.8. Proof of delivery, transport document or equivalent electronic message

Accept the appropriate delivery order or transport document in accordance with A.8.

A.9. Checking—packaging—marking

Pay the costs of those checking operations (such as checking quality, measuring, weighing, counting) which are necessary for the purpose of delivering the goods in accordance with A.4.

Provide at his own expense packaging (unless it is usual for the particular trade to deliver the goods of the contract description unpacked) which is required for the delivery of the goods. Packaging is to be marked appropriately.

B.9. Inspection of goods

Pay, unless otherwise agreed, the costs of pre-shipment inspection except when mandated by the authorities of the country of exportation.

A.10. Other obligations

Render the buyer at the latter's request, risk and expense, every assistance in obtaining any documents or equivalent electronic messages other than those mentioned in A.8. issued or transmitted in the country of dispatch and/or of origin which the buyer may require for the importation of the goods.

Provide the buyer, upon request, with the necessary information for procuring insurance.

B.10. Other obligations

Pay all costs and charges incurred in obtaining the documents or equivalent electronic messages mentioned in A.10 and reimburse those incurred by the seller in rendering his assistance in accordance therewith.

Delivered duty paid (... named place of destination) DDP

"Delivered duty paid" means that the seller fulfils his obligation to deliver when the goods have been made available at the named place in the country of importation. The seller has to bear the risks and costs, including duties, taxes and other charges of delivering the goods thereto, cleared for importation. Whilst the EXW term represents the minimum obligation for the seller, DDP represents the maximum obligation.

This term should not be used if the seller is unable directly or indirectly to obtain the import licence.

If the parties wish the buyer to clear the goods for importation and to pay the duty, the term DDU should be used.

If the parties wish to exclude from the seller's obligations some of the costs payable upon importation of the goods (such as value added tax (VAT)), this should be made clear by adding words to this effect: "Delivered duty paid, VAT unpaid (... named place of destination)".

This term may be used irrespective of the mode of transport.

A. THE SELLER MUST

A.1. Provision of the goods in conformity with the contract

Provide the goods and the commercial invoice, or its equivalent electronic message, in conformity with the contract of sale and any other evidence of conformity which may be required by the contract.

A.2. Licences, authorisations and formalities

Obtain at his own risk and expense any export and import licence and other official authorisation and carry out all customs formalities for the exportation and importation of the goods and, where necessary, for their transit through another country.

A.3. Contract of carriage and insurance

(a) Contract of carriage

Contract at his own expense for the carriage of the goods by a usual route and in a customary manner to the agreed point at the named place of destination. If a point is not agreed or is not determined by practice, the seller may select the point at the named place of destination which best suits his purpose.

(b) Contract of insurance

No obligation.

A.4. Delivery

Place the goods at the disposal of the buyer in accordance with A.3. on the date or within the period stipulated.

A.5. Transfer of risks

Subject to the provisions of B.5., bear all risks of loss of or damage to the goods until such time as they have been delivered in accordance with A.4.

B. THE BUYER MUST

B.1. Payment of the price

Pay the price as provided in the contract of sale.

B.2. Licences, authorisations and formalities

Render the seller at the latter's request, risk and expense every assistance in obtaining any import licence and other official authorisation necessary for the importation of the goods.

B.3. Contract of carriage

No obligation.

B.4. Taking delivery

Take delivery of the goods as soon as they have been placed at his disposal in accordance with A.4.

B.5. Transfer of risks

Bear all risks of loss of or damage to the goods from the time they have been placed at his disposal in accordance with A.4.

Should he fail to give notice in accordance with B.7., bear all risks of loss of or damage to the goods from the agreed date or the expiry date of the period stipulated for delivery provided, however, that the goods have been duly appropriated to the contract, that is to say, clearly set aside or otherwise identified as the contract goods.

A.6. Division of costs

Subject to the provisions of B.6.

— in addition to costs resulting from A.3.*(a)*, pay all costs relating to the goods until such time as they have been delivered in accordance with A.4.;

— pay the costs of customs formalities as well as all duties, taxes and other official charges payable upon exportation and importation of the goods, unless otherwise agreed and, where necessary, their transit through another country prior to delivery in accordance with A.4.

B.6. Division of costs

Pay all costs relating to the goods from the time they have been placed at his disposal in accordance with A.4.

Should he fail to take delivery of the goods when they have been placed at his disposal in accordance with A.4., or to give notice in accordance with B.7., bear all additional costs incurred thereby provided, however, that the goods have been appropriated to the contract, that is to say, clearly set aside or otherwise identified as the contract goods.

A.7. Notice to the buyer

Give the buyer sufficient notice of the dispatch of the goods as well as any other notice required in order to allow the buyer to take measures which are normally necessary to enable him to take the goods.

B.7. Notice to the seller

Whenever he is entitled to determine the time within a stipulated period and/or the place of taking delivery, give the seller sufficient notice thereof.

A.8. Proof of delivery, transport document or equivalent electronic message

Provide the buyer at the seller's expense with the delivery order and/or the usual transport document (for example, a negotiable bill of lading, a non-negotiable sea waybill, an inland waterway document, an air waybill, a railway consignment note, a road consignment note, or a multimodal transport document) which the buyer may require to take the goods.

Where the seller and the buyer have agreed to communicate electronically, the document referred to in the preceding paragraph may be replaced by an equivalent electronic data interchange (EDI) message.

B.8. Proof of delivery, transport document or equivalent electronic message

Accept the appropriate delivery order or transport document in accordance with A.8.

A.9. Checking—packaging—marking

Pay the costs of those checking operations (such as checking quality, measuring, weighing, counting) which are necessary for the purpose of delivering the goods in accordance with A.4.

Provide at his own expense packaging (unless it is usual for the particular trade to deliver the goods of the contract description unpacked) which is required for the delivery of the goods. Packaging is to be marked appropriately.

B.9. Inspection of goods

Pay, unless otherwise agreed, the costs of pre-shipment inspection except when mandated by the authorities of the country of exportation.

A.10. Other obligations

Pay all costs and charges incurred in obtaining the documents or equivalent electronic messages mentioned in B.10. and reimburse those incurred by the buyer in rendering his assistance therewith.

Provide the buyer, upon request, with the necessary information for procuring insurance.

B.10. Other obligations

Render the seller, at his request, risk and expense, every assistance in obtaining any documents or equivalent electronic messages issued or transmitted in the country of importation which the seller may require for the purpose of placing the goods at the disposal of the buyer in accordance with these rules.

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